

## NOMINATIONS.

*Executive nominations received by the Senate July 10 (legislative day of April 20), 1922.*

## COLLECTOR OF CUSTOMS.

Fred A. Bradley, of Buffalo, N. Y., to be collector of customs for customs collection district No. 9, with headquarters at Buffalo, N. Y., in place of George G. Davidson, jr., whose term of office will expire July 15, 1922.

## NAVAL OFFICER OF CUSTOMS.

Joseph W. Pascoe, of Easton, Pa., to be naval officer of customs in collection district No. 11, with headquarters at Philadelphia, Pa., to fill an existing vacancy.

## REGISTERS OF THE LAND OFFICE.

Edwin E. Winters, of Alabama, to be register of the land office at Montgomery, Ala.

Louis W. Burford, of Colorado, to be register of the land office at Del Norte, Colo.

Edgar T. Conquest, of Colorado, to be register of the land office at Sterling, Colo.

Charles R. Smith, of Colorado, to be register of the land office at Durango, Colo.

Fred C. Stoddard, of Montana, to be register of the land office at Missoula, Mont.

## PROMOTION IN THE REGULAR ARMY.

## MEDICAL CORPS.

*To be captain.*

First Lieut. William Le Roy Thompson, Medical Corps, from July 6, 1922.

## APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY.

## AIR SERVICE.

First Lieut. Donald Frank Stace, Coast Artillery Corps, with rank from July 2, 1920.

## COAST ARTILLERY CORPS.

First Lieut. Joe David Moss, Field Artillery, with rank from October 7, 1919.

## CONFIRMATIONS.

*Executive nominations confirmed by the Senate July 10 (legislative day of April 20), 1922.*

## REGISTER OF THE LAND OFFICE.

Robert Bruce Milroy to be register of the land office, Yakima, Wash.

## PROMOTIONS IN THE ARMY.

Clarence Charles Williams to be Chief of Ordnance, with rank of major general.

Joseph Frank Janda to be colonel, Adjutant General's Department.

Louis Stewart Chappellear to be lieutenant colonel, Adjutant General's Department.

Richard Kerr Cravens to be lieutenant colonel, Adjutant General's Department.

Robert Whitfield to be lieutenant colonel, Adjutant General's Department.

Andrew Jackson White to be major, Adjutant General's Department.

Eugene Ross Householder to be major, Adjutant General's Department.

Edward Roth, jr., to be major, Adjutant General's Department.

Paul Theodore Bock to be major, Air Service.

Kenneth McCatty to be captain, Coast Artillery Corps.

William Anthony Woodlief to be captain, Adjutant General's Department.

Sherman Robert Ingram to be captain, Veterinary Corps.

Morton Donald Adams to be first lieutenant, Coast Artillery Corps.

Stephen Richard Wood to be chaplain, with rank of major.

Henry Jouette Geiger to be chaplain, with rank of captain.

## POSTMASTERS.

## ARIZONA.

Patrick D. Ryan, Fort Huachuca.

## ILLINOIS.

William L. McKenzie, Elizabeth.

Mancel Talcott, Waukegan.

## LOUISIANA.

Novilla T. King, Simsboro.

## NEBRASKA.

Elmer W. Couch, Henry.

Mildred E. Johnson, Mead.

## NEW JERSEY.

Edmund A. Kenney, River Edge.

Jennie Madden, Tuckahoe.

## NORTH CAROLINA.

Sadie M. Mullen, Huntersville.

## SENATE.

TUESDAY, July 11, 1922.

(Legislative day of Thursday, April 20, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Vice President being absent, the President pro tempore (Mr. CUMMINS) took the chair.

## THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7456) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes.

Mr. McLEAN. Mr. President, on yesterday in my temporary absence the Senator from Utah [Mr. KING] took occasion again to refer to the effect of protection upon the industries in some of the Eastern States, and especially in the State of Connecticut. I agree with him as to the effect of a protective tariff upon the great industrial States of the country that have "prospered enormously," as he says, but I do not agree with him in some of the conclusions which he reached in regard to the effect of protection upon the workingmen of the country who are engaged in the manufacturing industries. The Senator from Utah took occasion, among other things, to say:

The steel interests and the textile interests in the past have been beneficiaries of the tariff system, and they have grown rich at the expense of the people by reason of the tariff rates which have been imposed.

I am quoting from page 10109 of yesterday's RECORD.

Mr. President, the fact that this is the greatest and richest Nation in the world, pays by far the highest wages in the world, and the further fact that a day's work in this country will buy anywhere from three to six times as large an amount of the basic necessities of life as a day's work will buy in many other countries in the world, would seem to justify the Senator from Utah, when he discusses the demerits of the protective system, in devoting a few moments to this discussion of the merits of the system as demonstrated by the industrial record of the country under protective tariff.

The Senator went on to say:

Several days ago I was discussing the tariff, and alluded to a number of States which had been particular beneficiaries of high tariffs. I alluded among others to the State of Connecticut. The able Senator from Connecticut [Mr. McLEAN] challenged some of the statements which I made. I then said that protection undoubtedly had enriched some in his State, but that the great wealth of Connecticut, Rhode Island, and certain protected States was in the hands of a limited number of corporations and individuals. I called attention to the strikes in the mills of his State, to the impoverishment of the people at work in the mills.

I do not remember that the Senator specified any particular strike in Connecticut. I did not know that there was any strike now existing in Connecticut of any consequence.

Mr. KING. Mr. President, will the Senator yield?

Mr. McLEAN. Certainly.

Mr. KING. I spoke in the past, that there had been strikes, a great many strikes. I did not speak of any in the present.

Mr. McLEAN. Oh, it probably is true that there have been strikes in Connecticut in the past, but I think there is no State in the Union whose record is freer from serious strikes than the State of Connecticut, and it is because, as I shall undertake to show later, that the wages paid in Connecticut are probably as high as those paid in any community on earth for similar services.

I quote further from the Senator's remarks of yesterday, where he said that these strikes resulted in the impoverishment of the people at work in the mills, and where he called attention—

to the poverty which existed, and called attention to the fact that the Republicans had by their legislation made it possible for certain industries to reap enormous profits, and that those industries had driven out the American workmen and had imported labor from abroad and forced the wages of the worker down until the wages paid were so pitifully small that poverty and, in too many instances, gaunt hunger were the constant companions of the employees.

Of course, I realize that when the Democratic Party is in the desperate condition which it now occupies, we must expect exaggeration and misrepresentation from its votaries.

I called attention the other day to the fact that the manufactured products in the State of Connecticut in the year 1919 were greater in value than the entire wheat crop of the United States. I called attention then, and I want to repeat a few facts bearing upon Connecticut industries and what they mean not only to the workmen of Connecticut but to the rest of the people of the United States.

We have in Connecticut 4,800 factories. The people employed in 1919 were 338,000. The wages and salaries paid were \$406,467,000. The capital invested was \$1,341,000,000. The value of the products was \$1,392,000,000. The cost of materials was \$685,000,000, and the value added by manufacture was \$706,000,000. The average daily wage was \$3.56. Now, there may be industries in the country highly specialized where the labor is especially irksome and possibly dangerous, where the average of wage paid will be higher than that, but I challenge any man on this floor to point to any State in the Union where the average paid for wages upon products similar to those made in Connecticut is higher than the average wage paid in Connecticut.

It may be of interest to note that the number of establishments in Connecticut in 1899 were 3,382; salaries and wages paid, \$85,000,000. The number of establishments was increased 18 per cent from 1909 to 1919, the number of persons engaged increased 32 per cent, and the wages from 1909 to 1919 increased 172 per cent. I wish to put in the Record a brief statement with reference to the different industries in Connecticut and the number of employees.

Connecticut industries consumed in 1919 398,000 tons of anthracite, 2,280,000 tons of bituminous coal, 1,447,000 barrels of fuel oil, 163,000 tons of coke, 32,618 barrels of gasoline, and 627,000 cubic feet of gas. Connecticut ranks first among the States in the value of products in the fur felt hat industry, fourth in silk, sixth in cotton, and sixth in woolen worsted products. In 1919 Connecticut consumed 54,000,000 pounds of cotton, purchased 33,000,000 pounds of cotton yarn, value of cotton \$65,000,000, value of manufactured products \$105,000,000. In 1919 Connecticut purchased 60,000,000 pounds of wool, made 200,000,000 yards of cloth, and 69,000,000 yards of shirting, valued at \$68,000,000. Yet, Mr. President, the output of some of our factories has been decreasing since 1914. Our costs of manufacture have greatly increased. For instance, the cost of materials in the fur felt hat industry increased 163 per cent from 1914 to 1919.

Mr. President, it is true that Connecticut makes about everything that is merchantable, and she makes machinery for other States and countries to make about everything that is merchantable. When the war broke out the Government took advantage of the fact that Connecticut was equipped to make probably a greater variety of articles needed for war supplies than any other State of her size in the Union. It is a matter of history that Paris would have surrendered to Germany in 1914 if it had not been for munitions made in Connecticut. Indeed, sir, a very large portion of the munitions used by our allies during the whole war were made in Connecticut.

It is easy to see that with the tremendous demand for war supplies Connecticut industries were prosperous for a time during the war; but, sir, a great many of our best boys were drafted and sent to the front and our manufacturers were compelled to secure help where it could be obtained and such help as it was possible to obtain. After the war closed we had, as can well be imagined, a very serious period of depression, because the demand for many of our goods ceased. More than that, Germany, after the war closed, specialized in many articles which came in direct competition with goods made in Connecticut, especially the metal goods, all kinds of cutlery, clocks, and so forth. As the result, our factories were compelled either to close or work on short time or reduce wages. There was no alternative. It was true then and it is true to-day that owing to this keen German competition many of our factories were and are working on short time, many of our manufacturers are making no money, yet they are keeping their organizations together and are employing help at a loss, possibly hoping that this Congress will have the wisdom to give to her industries, and all legitimate industries in the country, reasonable protection against the ruinous competition from the low-wage countries across the water.

Mr. President, the junior Senator from Utah [Mr. KING] read into the Record yesterday a letter from Patrick F. O'Meara, president of the Connecticut Federation of Labor, portions of which I shall now quote:

Your statement of the employment of the cheap-wage foreigner in the State of Connecticut is so true that, as I read the speech, I was thinking whether or not your information came as if you were a resident of Connecticut.

I continue to quote:

During the World War the writer was honored by being selected for membership on one of the three district boards of this State. This, as you will recollect, had to do with all appeals over local boards' decisions and all industrial exemptions, and as the secretary of the board for the war term the great part of the evidence submitted on questionnaires brought forth conditions that no State should be proud of, and thousands of these questionnaires had to be written up and completed by others than the registrant, for the reason that the said registrant could neither read nor write.

Mr. President, Mr. O'Meara, I presume, is a good Democrat, and, if my information is correct, he had a job under the former administration. Apparently he had something to do with the draft. Whether he had any other occupation or not I do not know.

Mr. KING. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Utah?

Mr. McLEAN. I do.

Mr. KING. Does the Senator from Connecticut refer to the "job" that Mr. O'Meara had as being one with the draft board?

Mr. McLEAN. Yes.

Mr. KING. The Senator does not consider that a very big "job," does he?

Mr. McLEAN. I do not know whether Mr. O'Meara had any other occupation or not. I am not finding fault with Mr. O'Meara; on the contrary, if the Senator will pardon me, I desire to say that if there is anything in the State of Connecticut that deserves criticism, I would be the last man in the Senate to try to suppress such criticism; but when Mr. O'Meara makes the broad and far-reaching statements which he does, I hope he will let the workmen in Connecticut know before next November comes whether he thinks the remedy for the situation which he alleges exists lies in a continuation of existing tariff rates or in rates which would give the employers in the State of Connecticut reasonable protection against their competitors from abroad. If he adheres to the tariff plank in the last Democratic platform, which denounced protective tariffs, if he adheres to the time-honored policy of the Democratic Party that protective tariffs are not only unconstitutional but that they are fraudulent and a tax upon the many for the benefit of the few, I hope he will frankly state his position in the State of Connecticut, for I want to say, and say emphatically, that Connecticut has no more use for the Democratic theory relative to protection than it has for a frost in August or the Asiatic cholera. The writer goes on to say:

During the latter part of the year 1921 the city of New Britain, Conn., had to make an appropriation out of the municipal funds to send back to Spain and Portugal large numbers of cheap foreign laborers that they had brought in there (I refer to the manufacturers), and who were living in such filthy conditions that the city authorities of New Britain thought the best thing to do was to send them out of the city.

As I have stated, Mr. President, during the war the manufacturers of Connecticut were compelled to get help where they could and of the best character that could be obtained, and to get along with it as best they could, for a great many of our high-class boys were called to the front, while we in Connecticut were making munitions and arms and war supplies that were absolutely necessary to the conduct of the war. We were fighting for our lives, and we did the best we could. I want to say, Mr. President, that Connecticut is not ashamed of her record in the war of what she said or did. Her record will, I think, compare favorably with the record of the State which is represented in part by the junior Senator from Utah.

When the war was over we had to meet the serious industrial depression. Orders for our goods ceased; we had a large surplus of labor on our hands; but, Mr. President, I want to say that everything was done to help those men who were unemployed to go where they could secure employment, if possible, or to keep them in Connecticut and pay them enough to enable them to subsist until business should revive.

This letter goes on to say:

But I can not sit idly by and have conditions go on as they are without protesting from time to time against them, and I was elated when I read of your indictment against Senator McLEAN and his constituents—I refer to the manufacturers of Connecticut.

Mr. President, I want to say now, as I have said before, that, as a member of the Finance Committee, I have in no instance, and I shall in no instance, ask for a rate that will give more than reasonable protection to the manufacturers of Connecticut and enable them to pay good wages, and I wish to say further that the highest rates in this bill are the lowest in proportion to the protection which is needed.

I quote further from this letter:

If the proposed tariff bill goes through they will again reap the harvest that they have for years, and I smile when I read of the claims that German-made watches are being sold so cheaply in the United States, when, as a matter of fact, such a big and influential concern as the New Haven Clock Co., in my home city, is to-day paying wages



so low that they never would be accepted only that men are forced to take them to earn a few dollars for their families; the wages are even lower than before the war.

Mr. President, I have not had an opportunity to communicate with the company referred to, but it is probable that foreign competition in the article manufactured by that company is keen at the present time, and very likely their mill is either working on short time or it may be possible that they have had to reduce wages temporarily, and I wish to say again to the Senator from Utah that this condition must necessarily continue if the competition from abroad is allowed to continue; and precisely the same argument which applies to the manufacture of clocks applies to every single industry in this country. The Senator from Utah has taken occasion, I think, to vote for a protective tariff on the products of his State.

Mr. KING. No.

Mr. McLEAN. I do not know but that the Senator has avoided voting on some of the articles produced in his State which have asked for protection—

Mr. KING. Mr. President, I can not permit such a statement as that to go unchallenged; I deny it.

Mr. McLEAN. Or neglected to do so.

Mr. KING. No; I do not dodge any issue that may be presented.

Mr. McLEAN. Then I gladly withdraw the statement if it is not true; but I do not understand the Senator to say that he is opposed to all protective tariffs, and I want to say to him that a man will drown under an inch of water just as quickly as he will if he is at the bottom of the sea. We have many highly specialized industries in Connecticut, yet, as every Senator knows, the industries of Connecticut are really but a drop in the American bucket. The pay roll in the United States in 1919 was over \$10,000,000,000, and a very large percentage of that was paid in the production of articles in the manufacture of which labor constituted a very high percentage of the cost. So the problem confronting us is entirely national in its scope.

It is true with regard to my section of the country that we are now experiencing industrial depression. Conditions have been improving to some extent lately, probably in anticipation of the enactment of the pending bill, but unless this bill is passed, unless the confidence of our great producers is revived, serious results will ensue. Many of them, I know, have their storehouses full of goods which they can not sell, waiting and hoping that the Democratic Party will allow the country to be relieved from the potential and actual ruinous competition of other countries.

I want to say to the Senator further that while I have no controversy with him, taking the view that he does on this question, and I have no controversy with the president of the American Federation of Labor in the State of Connecticut, the Senator's position and the position taken by Mr. O'Meara utterly fail to consider the real cause of the business depression which now exists in Connecticut and elsewhere, and utterly fail to estimate the necessity for the maintenance of the time-honored and fully tested principle of protection if we are to continue to do business in this country and sustain our standard of wages and living.

Mr. KING obtained the floor.

Mr. HEFLIN. Mr. President, will the Senator yield to me to submit a resolution and ask unanimous consent for its immediate consideration? I think it will take but a moment to have it considered.

Mr. KING. I yield.

#### ABANDONED COTTON ACREAGE.

Mr. HEFLIN. I ask unanimous consent for the present consideration of the resolution which I send to the desk.

The PRESIDENT pro tempore. The Secretary will report the resolution for information.

The reading clerk read the resolution (S. Res. 319), as follows:

Whereas the Crop Reporting Bureau of the Agricultural Department has heretofore made no report on abandoned cotton acreage until the 1st of December each year; and

Whereas there is practically no cotton acreage abandoned after July 1 each year; and

Whereas failure to obtain a good stand of cotton in many places and the increased ravages of the boll weevil in other sections of the cotton-producing States have caused abandoned cotton acreage to be larger than usual; and

Whereas the cotton producer, the spinner, and the public are entitled to know as early as the information can be obtained what per cent of cotton acreage has been abandoned: Therefore be it

Resolved, That the Chief of the Crop Reporting Bureau be, and he is hereby, authorized and directed to immediately confer with the commissioners of agriculture in the cotton-growing States and with the agricultural agents of the various counties in said States and ascertain just what in their opinion is the percentage of abandoned cotton acreage up to July 1, 1922; be it further

Resolved, That the said Chief of the Crop Reporting Bureau shall publish said information in his forthcoming August the 1st crop-condition report.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Alabama?

Mr. SMOOT. Mr. President, I do not know that I gathered the full import of the resolution. It seems to require a report as to the cotton acreage abandoned up to July 1, 1922. It does not, however, ask that any comparison be made with the cotton acreage abandoned in any other year or period. I can not quite understand how the bureau will answer the question propounded unless some date is specified with which to compare the cotton acreage abandoned on July 1, 1922.

Mr. HEFLIN. I will state to the Senator from Utah that the reports published every year on December 1 show that. They have authority now for obtaining that information, but we want to know now what percentage of the acreage planted in cotton this year had been abandoned up to the 1st of July. There is very little cotton acreage abandoned after that time. Whatever there is, it will be reported in December.

Mr. SMOOT. As compared with the last report made?

Mr. HEFLIN. We can compare this report, when received, and show how much was abandoned each year before, because that information is already on file in the Department of Agriculture; but we want to know how much has been abandoned this year up to July 1, rather than wait until December 1 and have the public, the spinners, and the cotton-buying world believe that the acreage planted in cotton in the spring is in cultivation now, when the truth is much of the acreage planted this year has already been abandoned.

Mr. SMOOT. What I think the Senator wants is the number of acres in cultivation on July 1, 1922.

Mr. HEFLIN. That is what this information will show.

Mr. SMOOT. But that is not what the resolution says.

Mr. HEFLIN. The resolution will get the information, however, because the department has already shown the number of acres planted in cotton, and when we find out how much has been abandoned we will then know, of course, how many acres are still in cultivation.

Mr. SMOOT. I have no objection to the information, but I doubt very much whether the resolution is properly expressed.

The PRESIDENT pro tempore. The Chair hears no objection to the request of the Senator from Alabama.

Mr. WADSWORTH. Mr. President, as I understand, the official to whom this resolution is addressed is a subordinate of the Secretary of Agriculture.

Mr. SMOOT. He is?

Mr. HEFLIN. Oh, yes.

Mr. WADSWORTH. Then I suggest in all seriousness that the resolution should be addressed to the Secretary of Agriculture—

Mr. SMOOT. Oh, absolutely, without question.

Mr. WADSWORTH. And that he should be authorized and directed to have done what the resolution requests.

Mr. HEFLIN. I accept the suggestion of the Senator from New York.

The PRESIDENT pro tempore. The resolution is modified accordingly. Is there objection to its present consideration?

Mr. POMERENE. Mr. President, may it be read again? I was out of the Chamber when it was read.

The PRESIDENT pro tempore. The Secretary will read the resolution as modified.

The reading clerk read the resolution as modified, as follows:

Whereas the Crop Reporting Bureau of the Agricultural Department has heretofore made no report on abandoned cotton acreage until the 1st of December each year; and

Whereas there is practically no cotton acreage abandoned after July 1 each year; and

Whereas failure to obtain a good stand of cotton in many places and the increased ravages of the boll weevil in other sections of the cotton-producing States have caused abandoned cotton acreage to be larger than usual; and

Whereas the cotton producer, the spinner, and the public are entitled to know as early as the information can be obtained what per cent of cotton acreage has been abandoned: Therefore be it

Resolved, That the Secretary of Agriculture be, and he is hereby, authorized and directed to immediately confer with the commissioners of agriculture in the cotton-growing States and with the agricultural agents of the various counties in said States and ascertain just what in their opinion is the percentage of abandoned cotton acreage up to July 1, 1922. Be it further

Resolved, That the Secretary of Agriculture shall publish said information in his forthcoming August the 1st crop-condition report.

Mr. POMERENE. Mr. President, if the Senator will yield for a question, I notice that the Senator has fixed July 1 as being the date after which little or no acreage is abandoned. Does that cover the entire Cotton Belt?

Mr. HEFLIN. Oh, yes.

Mr. POMERENE. Why not say "during this season," or something of that kind?

Mr. SMOOT. That is, from December 31, 1921. They have it up to that date.

Mr. HEFLIN. Certainly; for this season.

Mr. POMERENE. Of course, I do not live in the Cotton Belt, so am not entirely familiar with that; but it occurred to me that the Senator is just as much interested in knowing whether there was any acreage abandoned after July 1 as he is in knowing whether any was abandoned before July 1, because that is what he wants.

Mr. HEFLIN. The Secretary of Agriculture is already authorized to make that report, and makes it on the 1st of December; but we are asking now that this information be given to the public, so that the public will know and the farmer will have the benefit of the public knowing that he is not cultivating as many acres in cotton as he planted in the spring of the year and will not make as much cotton, because hundreds of thousands of acres planted in cotton have been abandoned for various reasons.

Mr. POMERENE. I think that is a very good suggestion; but it ought to be broad enough to include all acreage abandoned, whether it was abandoned before July 1 or after July 1.

Mr. HEFLIN. A report on that which is abandoned after July 1 is provided for now. I am asking that a report on abandoned cotton acreage be obtained and published by August 1 each year.

The PRESIDENT pro tempore. The Chair hears no objection to the present consideration of the resolution.

Mr. SMOOT. Just a moment, Mr. President. I want to ask the Senator from Alabama in all seriousness if he will not withdraw the resolution now and put a limit upon the time when the investigation shall be made. I am quite sure, the way the resolution reads, that there will be no limit at all, and if the Senator gets the information called for it is going to take months and months of time and a great deal of expense to furnish it, and I know that is not what the Senator has in mind.

Mr. HEFLIN. No. For the Senator's information, Mr. President, since he does not live in a cotton-growing State—

Mr. SMOOT. I know about the cotton-growing States, however.

Mr. HEFLIN. I suggest to him that the resolution simply provides that the Secretary of Agriculture shall have communications sent by mail to the commissioners of agriculture in the cotton-growing States and the county agents in those States, asking them to give the information in their possession as to the amount of cotton acreage already abandoned, and that information will be sent back through the mails and it will then be given to the public in the August 1 crop-condition report.

Mr. SMOOT. If the Senator is content with that statement, I have no objection to the resolution, but I will say that the resolution does not call for what the Senator wants.

Mr. HEFLIN. The resolution will get the information we want, and I ask for its adoption, Mr. President.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution? The Chair hears none. The question is upon agreeing to the resolution.

The resolution as modified was agreed to.

#### DISTRIBUTION OF SPEECHES BY FEDERAL RESERVE BANKS.

The PRESIDENT pro tempore. The Chair lays before the Senate a communication from the governor of the Federal Reserve Board, transmitting, pursuant to Senate Resolution 308, letters from the Federal Reserve Banks of Minneapolis and Dallas relative to the circulation of a speech of Senator GLASS on the Federal reserve system. The communication will lie on the table.

Mr. KING. Mr. President, I was about to suggest that perhaps the communication ought to go to the Committee on Banking and Currency.

The PRESIDENT pro tempore. The Chair is advised that it has been the understanding that these communications shall lie on the table until they are all received, at which time they will be properly disposed of.

Mr. HEFLIN. Yes, sir; that is the understanding.

Mr. KING. I have no objection.

Mr. McLEAN. Mr. President, I am obliged to the Senator from Utah for calling my attention to the matter which has just been disposed of, and I should like to know whether these replies have been ordered printed in the Record.

Mr. HEFLIN. Not yet.

Mr. McLEAN. I understand that it is the Senator's purpose to keep them on the table until he gets replies from all of the banks—

Mr. HEFLIN. All of them.

Mr. McLEAN. And then have them printed in the Record. Mr. HEFLIN. And then let the Senate decide what disposition they will make of them. I may have objection to some portions of them going into the Record.

Mr. McLEAN. I shall not.

Mr. HEFLIN. I am satisfied the Senator will not.

Mr. McLEAN. On the contrary, inasmuch as the Senator from Alabama secured the passage of the resolution requiring these replies, I shall expect that he will not object to their being printed in the Record when they are received.

Mr. HEFLIN. I want to make some comments upon some portions of the replies.

The PRESIDENT pro tempore. The communication has been disposed of.

#### PHILADELPHIA SESQUICENTENNIAL EXHIBITION.

Mr. JONES of Washington. Mr. President, House Joint Resolution 170 was referred to the Committee on Commerce. The principal object of the joint resolution seems to be to provide for an invitation on the part of the President to foreign nations to participate in an international exposition to be held in Philadelphia in 1926. I think it should properly go to the Foreign Relations Committee. I ask unanimous consent that the Committee on Commerce may be discharged from the further consideration of the joint resolution and that it may be referred to the Committee on Foreign Relations.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and that change of reference will be made.

#### PETITIONS AND MEMORIALS.

Mr. ROBINSON presented telegrams in the nature of petitions from Bert Johnson, of Nashville, and the Nashville Chamber of Commerce, in the State of Arkansas, praying for prompt action by the Government to settle the railroad strike so that peach and truck crops may be moved to market without loss, which were referred to the Committee on Interstate Commerce.

Mr. PHIPPS presented petitions of the Governor of Colorado, the Public Utilities Commission of the State of Colorado, and the Moffat Tunnel Commission, all of Denver, Colo., praying for full enforcement of the decree of the United States Supreme Court relating to severance of the Central Pacific Railway from the Southern Pacific Co. and opposing reopening the question by legislative action, which were referred to the Committee on Interstate Commerce.

Mr. JOHNSON presented memorials of 262 citizens in the State of California, remonstrating against the enactment of legislation providing for compulsory Sunday observance in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. SIMMONS presented a resolution of the North Carolina Pine Box and Shook Manufacturers' Association, protesting against the proposed transfer of the Forest Service from the Department of Agriculture to the Interior Department, which was referred to the Committee on Public Lands and Surveys.

He also presented a resolution of the Medical Society of the State of North Carolina, favoring the passage of House Resolution 258, providing for a select committee of 15 doctors in the House of Representatives to inquire into the subject of narcotic addiction in the United States, etc., which was referred to the Committee on Finance.

He also presented resolutions of the Christian churches of Duke, N. C., favoring the granting of relief to the suffering peoples of Armenia, which were referred to the Committee on Foreign Relations.

He also presented the memorial of Mrs. R. W. Hicks, president of the North Carolina Sorosis, remonstrating against inclusion of the food, tableware, and women's wear schedules in the pending tariff bill, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Duplin County, N. C., praying for the enactment of legislation creating a department of education, which was referred to the Committee on Education and Labor.

He also presented resolutions of Guilford Council, No. 23, of High Point; New Bern Council, No. 520, of New Bern; and Greensboro Council, No. 13, of Greensboro, all of the Junior Order United American Mechanics; and Banner Council, No. 30, of Rocky Mount, and Raleigh Council, No. 83, of Raleigh, both of the Sons and Daughters of Liberty, all in the State of North Carolina, favoring the enactment of legislation creating a department of education, which were referred to the Committee on Education and Labor.

Mr. CAPPER presented petitions of members of the Argentine High School, of Kansas City, and sundry citizens of Merriam, all in the State of Kansas, praying for the enactment of legisla-



tion creating a department of education, which were referred to the Committee on Education and Labor.

He also presented resolutions adopted by the chambers of commerce of Junction City and Kansas City, the Lindsborg Commercial Club, of Lindsborg, and the Topeka Traffic Association, of Topeka, all in the State of Kansas, favoring full enforcement of the decree of the United States Supreme Court relating to severance of the Central Pacific Railway from the Southern Pacific Co., etc., which were referred to the Committee on Interstate Commerce.

THURSTON W. TRUE.

Mr. ROBINSON, from the Committee on Claims, to which was referred the bill (S. 2984) for the relief of Thurston W. True, reported it with an amendment and submitted a report (No. 814) thereon.

#### BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 3809) granting a pension to Jane Z. Tolman; to the Committee on Pensions.

By Mr. POINDEXTER:

A bill (S. 3810) providing for a readjustment of sales contracts of Government houses in Bremerton and other points in Kitsap County, Wash.; to the Committee on Education and Labor.

By Mr. SHORTRIDGE:

A bill (S. 3811) to provide for the erection of a public building at Oakland, Alameda County, Calif.; to the Committee on Public Buildings and Grounds.

By Mr. COLT:

A bill (S. 3812) granting six months' gratuity pay to Stanfield A. and Elizabeth G. Fuller; to the Committee on Claims.

By Mr. POINDEXTER:

A bill (S. 3813) authorizing a decoration for valor, to be designated the military star; to the Committee on Military Affairs.

By Mr. SMOOT:

A joint resolution (S. J. Res. 222) authorizing the Federal Reserve Bank of St. Louis to enter into contracts for the erection of buildings for its head office and branches, and the Federal Reserve Bank of San Francisco to enter into contracts for the erection of a building for its branch office in Salt Lake City, Utah; to the Committee on Banking and Currency.

#### RIVER AND HARBOR IMPROVEMENTS.

Mr. CALDER submitted an amendment authorizing improvement work at Westchester Creek, N. Y., in accordance with report submitted in Rivers and Harbors Committee Document No. 8, Sixty-seventh Congress, second session, and subject to the conditions set forth in said document, intended to be proposed by him to the bill (H. R. 10766) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was ordered to lie on the table and to be printed.

#### THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7456) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes.

Mr. KING. Mr. President, I shall occupy but a short time, because I know Senators are anxious to proceed with the consideration of the schedule dealing with vegetable oils, which is now before us; but the Senator from Connecticut [Mr. McLEAN] has discussed at considerable length a letter received by me and presented to the Senate yesterday. The letter was written by a resident of the State of Connecticut who is in a position to know of the facts to which he refers in his letter.

Mr. President, a few days ago, in speaking upon the tariff, I said:

Mr. President, I repeat what I said a moment ago, that a large part of the population working in the mills in the State of Connecticut was foreign. There were strikes in the mills and factories because of the injustice which the mill owners perpetrated upon the laborers whom they employed. I repeat, the Senator's State has grown rich. I do not mean the great masses of the people have prospered or become rich, but the predatory interests with which the Senator from Connecticut is allied have grown rich. The Senator, believing in their economic views, speaks for policies which they favor and for this bill, which they endorse. When we come to the textile schedule we shall find the able Senator from Connecticut lifting his voice in protest against fair and reasonable rates. He is willing that the favorites of the Republican Party, those favorites against whom Senator Dilliver inveighed, those favorites against whom Theodore Roosevelt inveighed, those favorites who have played the game in the past and who have prostituted the taxing powers of the Government for their enrichment, shall continue their illegal course.

At this point I was interrupted by the Senator from Missouri, and after a short colloquy, I proceeded:

Coming back to the question which I suggested a moment ago, I repeat that the manufacturers and the beneficiaries of the tariff system who reside in the State of the Senator from Connecticut, or who, if they do not reside there, reside in New York or Boston or elsewhere and have their factories in his State, have been willing to get cheap labor and get it from over the seas in order that they might increase their swollen fortunes. The State of Connecticut, small, with but limited agricultural resources, with no mineral wealth, and without having the advantages that are possessed by many other States, has directed its attention largely to manufacturing; and those engaged in manufacturing have perceived that if they could get higher tariff duties and prevent competition from abroad they would be able to exploit the American people by charging them infinitely more for their products than would have to be paid under a legitimate competitive system. Republicans of Connecticut have only done what Republicans—I am speaking now of the brand of Republicans that Roosevelt denounced—have done elsewhere.

A resident of the State of Connecticut, reading the address which I made, and the colloquy between the Senator from Connecticut [Mr. McLEAN] and myself, was prompted to write me the letter which I read in part yesterday, and to which the Senator from Connecticut has just referred. Those who have listened to the Senator will recall that he did not deny what I stated and what was stated by Mr. O'Meara, the president of the Federation of Labor, namely, that cheap labor had been imported and employed in the mills and factories of Connecticut, and that strikes and industrial disturbances had occurred because of the low wages which had been paid.

The Senator does not deny what was declared to be a fact by Mr. O'Meara, that men from Portugal and Spain had been employed in his State, and because of their unfortunate situation an appropriation had been made by the city council of one of the cities for the purpose of sending them back to the country from which they came.

Mr. McLEAN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Connecticut?

Mr. KING. I yield.

Mr. McLEAN. I did not deny it because I had no knowledge on the subject. I stated to the Senator, however, that during the war the overwhelming demand for munitions made in Connecticut, and the fact that a good many of our own boys were drafted and sent to the front, made it imperative for our manufacturers to secure labor from every source possible for the time being, and that after the war was over it may be true that we had in the State a great many men who came from outside—I do not know where. I stated to the Senator that he would find we did everything we could to help those people get employment outside or in the State, and in many instances we kept our factories going at a loss for the express purpose of keeping those people in comfortable circumstances until they could get employment elsewhere.

Mr. KING. Mr. President, Mr. O'Meara corroborates, in his statement, the observations which I made with respect to the effect of the protective tariff system as it applies to the State of Connecticut. He, in effect, states that the perpetuation of that system will result in a condition of servitude. He states that there have been strikes and industrial disturbances, notwithstanding the great profits which have been made by the manufacturers of the State of Connecticut.

Mr. McLEAN. Mr. President, I want the manufacturers to prosper in order that they may pay high wages and maintain the American standard of living. If there are any manufacturers in Connecticut or anywhere else who do not do that, the remedy does not lie in destroying capital. The cure does not lie in universal poverty. We can not help ourselves by descending to the conditions which exist across the water, which these people left in order to better themselves.

Mr. KING. Mr. President, no one was suggesting an assault upon capital. In my opinion, as I have said heretofore, the greatest enemy capital has to-day is the selfishness and the greed of some of the capitalists themselves. Some are not content with a legitimate and fair profit upon their investments. I am not making an indictment of the capitalistic system or of all capitalists, because I believe in private ownership of property and in the right of owners to use their own property and to enjoy the benefits arising therefrom. I am speaking, as I said in that speech to which I referred, of the character of capitalists of whom Mr. Roosevelt spoke, of whom the distinguished Senator who is now occupying the chair [Mr. CUMMINS] and his illustrious colleague, Senator Dilliver, now deceased, spoke when they were discussing the Payne-Aldrich tariff bill, those capitalists who sought to impose tariff duties so high as to build up monopolies in the United States and to give them absolute control of the domestic market and the prices of domestic products.

They were referring to the Steel Trust, which has made not millions of dollars but hundreds of millions; the Steel Trust which secures benefits in the bill before us and demands duties upon steel products notwithstanding the fact that the steel industry of the United States can successfully compete with the steel producers in every country in the world.

The steel manufacturers, and all other corporations and individuals who seek to use the Government and the powers of the Government to secure legislation to enable them to increase the prices of their products, are their own enemies and the enemies of capital. Our country has grown and prospered under its free institutions, the Federal Constitution as well as the State constitutions recognizing the right of individuals to acquire property and to control it. I believe that our country has grown and prospered because of the capitalistic system; it would have failed in its high mission under communism or the conflicting socialistic doctrines or the nationalization of the industries of the country. I believe in an individualism that gives a broad field for the genius and the enterprise of the American people. But I am opposed to a tariff system that will rivet upon the consuming masses the policies and the demands of greedy corporations who are not satisfied with a fair and legitimate profit upon their investments.

The State of Connecticut, as indicated by Mr. O'Meara, has built up great industrial corporations, and those organizations have employed pauper labor from overseas, and have paid wages which have been so low, as indicated by Mr. O'Meara, as to threaten industrial servitude and have been provocative of strikes and industrial disturbances.

Mr. WADSWORTH. Mr. President, the last statement made by the Senator excites my curiosity. Does Mr. O'Meara state what the wages were?

Mr. KING. No.

Mr. WADSWORTH. Then how can the Senator say he states they are so low that the employees can not live on them?

Mr. KING. I did not hear the Senator's statement.

Mr. WADSWORTH. Why does the Senator make the assertion, therefore, that the wages are pauper wages, if he does not even know what the wages are?

Mr. KING. Does the Senator know what the wages are?

Mr. WADSWORTH. No; I do not; but the Senator is making some affirmative statements, and I am seeking information.

Mr. KING. I will state to the Senator that I do not know specifically what the wages are, but I do know—

Mr. WADSWORTH. Does the Senator know generally what they are?

Mr. KING. Will the Senator permit me to conclude my sentence? That wages paid in manufacturing plants of Connecticut at times have been so low as to be provocative of strikes and industrial disturbances, and, as the Senator will recall, in the investigations which were made when there were strikes a few years ago, it was shown that women, and even little children, were either compelled to work or did work in many factories and mills because the earnings of the husbands and the fathers were insufficient to meet the necessities of the family.

Mr. WADSWORTH. I have no recollection of any such incidents, nor do I remember the investigation. To what investigation does the Senator refer?

Mr. KING. The Senator knows that both in Rhode Island and in Connecticut there were strikes a few years ago in the textile mills and plants.

Mr. WADSWORTH. I am speaking of Connecticut. I have no recollection of the strikes in Connecticut to which the Senator refers.

Mr. KING. I have a recollection that there were strikes in both Rhode Island and in Connecticut. There have been strikes in textile plants and in steel plants and many of these great manufacturing institutions of the United States.

Mr. WADSWORTH. I am speaking of Connecticut. I want the Senator to give the information to which he has alluded, but which he apparently does not specify. In what city and in what industry and in what corporation were these pauper wages paid?

Mr. KING. I can not state to the Senator offhand—

Mr. WADSWORTH. I thought not.

Mr. KING. But I shall put in the RECORD to the full satisfaction of the Senator, before this debate ends, data which will support the statement of Mr. O'Meara, and the statement which I have made, that the wages paid in the textile mills of Connecticut were so low as to be insufficient for the proper support of the families of the men who labored there, and I will put in the RECORD facts to show the Senator that in textile mills not only men work, but in many instances the mothers and some of the children have worked.

Mr. WADSWORTH. When the Senator gets all this information, which is going to be so interesting—

Mr. KING. I do not know whether it will be interesting to the Senator. I think it will not be interesting to the supercilious Senator from New York.

Mr. WADSWORTH. I thank the Senator for his observation. I am merely seeking the truth. I did not realize that a seeker after the truth should be called supercilious; but I hope that when the Senator does put this interesting information, of which he has none to-day—

Mr. KING. The Senator from New York is entirely in error.

Mr. WADSWORTH. I have not been able to get any of it from the Senator. I hope that when he does put it in the RECORD he will also ascertain and put in the RECORD the comparative wages paid in Connecticut and the wages paid in other States to show whether Connecticut has thus fattened at the expense of the many and for the benefit of the few, and whether or not it has been the rule in the State of Connecticut to pay pauper wages under a protective tariff system.

Mr. KING. I am sure the Senator will not be interested in all of that information, and if it is a matter of so much interest to the Senator, with his prodigious capacity for work, I suggest that he embark upon this enterprise himself.

Mr. McLEAN. I shall be deeply interested, myself, in the replies which the Senator gets to the question of the Senator from New York. The Senator from New York is a very able Senator, very industrious and very capable in seeking statistics, but I do not think he will succeed in finding anything to corroborate the charges of the Senator from Utah.

Mr. KING. We will leave that for the public to determine, if they should be sufficiently interested in the controversy between the Senator from New York and myself.

I read again what was stated by Mr. O'Meara, the president of the Federation of Labor of the State of Connecticut, where he says, speaking of the system which obtains in Connecticut—that system if permitted to continue will have the serf and slave system that existed in the South before the Civil War beaten all to atoms.

Your statement of the employment of the cheap-wage foreigner in the State of Connecticut is so true that, as I read the speech, I was thinking whether or not your information came as if you were a resident of Connecticut.

This gentleman was born in the State of Connecticut and knows full well, as he states in his letter, "of the conditions whereof I write, and if either one of the Senators from Connecticut will deny any of the statements that I have written about I will gladly furnish them to you in affidavit form to back them up."

So, Mr. President, we will have the president of the Federation of Labor of the State of Connecticut furnishing, I have no doubt, ample evidence to support the contention which he makes and to justify the statements which I make. The Senator himself has admitted that poor people from Spain and Portugal were employed—

Mr. McLEAN. Mr. President—

Mr. KING. And that they were sent back by appropriation from a municipality.

Mr. McLEAN. I do not see why the Senator should reiterate an admission that I have never made. The Senator knows that I said that I did not contradict that statement because I had no knowledge on the subject.

Mr. KING. Then I modify it; the Senator does not deny the statement.

Mr. McLEAN. I have no knowledge on the subject, and where I have no knowledge I do not deny.

Mr. KING. I put the statement of Mr. O'Meara against the negative attitude of the Senator from Connecticut.

Mr. McLEAN. Where I have no facts I do not assert.

Mr. KING. The Senator does not dare deny it—

Mr. McLEAN. I do not follow the example set by the Senator from Utah.

Mr. KING. The Senator does not dare deny it.

Mr. McLEAN. What?

Mr. KING. Has not the Senator listened to what I have just been reading, what he is contradicting?

Mr. McLEAN. I do not deny that during the war we employed men from Portugal. Is that the point? No; I do not deny it. I do not know anything about it; and if it is true, it is of no consequence.

Mr. KING. Of course it would not be of any consequence to the Senator. I would not claim it was of any consequence to the Senator.

Mr. McLEAN. I fancy that there are men in Utah who were not born there.

Mr. KING. I do not know the pertinency of that observation.

Mr. McLEAN. I hope they have something to do.



Mr. KING. I was contending, in the speech which the Senator has attacked, that the tariff system, as it has been devised and applied by the Republican Party, has benefited and enriched a limited number, and that schedules have been drawn in the interest of predatory trusts, and I aver that schedules in this bill have been dictated by interests which are demanding of the people prices for their products that are inequitable and unjust.

I called attention to the fact that industrial disturbances and strikes had occurred because of the low wages paid, and Mr. O'Meara says:

Your statement on page 6562—

Speaking of the Record—

relative to this State having industrial disturbances is as true as any words coming from the mouth of man. I do hope that on account of the position in the life of the community that I hold that you will not feel that I am entirely biased in my claims, for I have plenty of letters in my office from employers of labor, large and small, in this State thanking the writer for the fairness that I have entertained at all times.

Now, Mr. President, the matter under consideration this morning is only important as it is a manifestation of the effect of a vicious tariff system. No one who is asking for a fair and reasonable tariff that will afford reasonable revenue to aid in meeting the expenses of the Government can be charged with making an assault upon capital. Democrats believe that capital should have full opportunity for legitimate investment. They are opposed to socialism. They are opposed to governmental restrictions which would hamper and impede legitimate development and progress. But the Democratic Party is opposed to the prostitution of the taxing powers of the Government and their utilization by certain industries in order to enrich those who are engaged in such industries.

I shall vote for a tariff that will give to the Government adequate revenue. I shall not vote against a tariff bill because it may afford incidental protection if I believe that the rates are fair and just and will raise a reasonable amount of revenue. But I shall not vote for any tariff measure, the sole purpose or the principle of which is to transfer from the pockets of the masses into the pockets of the few the earnings of the people.

Mr. McLEAN. Mr. President—

Mr. KING. I yield to the Senator from Connecticut.

Mr. McLEAN. The Senator said he would vote for an adequate tariff or a tariff that would provide adequate revenue. We need \$4,000,000,000, as the Senator knows.

Mr. KING. Of course I did not mean that we should raise all revenues from tariff duties. No one ever suggested such a preposterous thing, particularly when the Republicans are in power. The policy of the Republican Party is to derive but little revenue from the tariff, by cutting off importations, in order that the domestic manufacturers and producers may have a practical monopoly of the domestic market. I am in favor of a legitimate tariff such as the Underwood tariff law, and I would be in favor of supplementing that by a sane and reasonable revenue law that would require wealth and the various industries of the country and the other proper sources of taxation to contribute what would be fair and just to meet the expenses of the Government economically administered.

Mr. McLEAN. The revenue received from the income tax in 1921 was \$1,000,000,000 less than it was in 1920. My idea is that the best way to alleviate existing conditions and reduce the per capita tax is to restore the purchasing power of the American people and increase our incomes so that the income tax returns will not drop a billion dollars a year.

Mr. KING. Mr. President, the last sentence of the Senator is a statesmanlike observation. The difference between the Senator and myself is that he suggests a method of accomplishing that desirable end which I think will not bring it about. He believes that in order to restore, as he calls it, prosperity we must cut off all or practically all imports and give the domestic producer a monopoly of the domestic market. I regard that as a foolish, an unwise course. I would increase production, expand our foreign trade and commerce, give to capital fair returns upon investments, afford it a full and fair opportunity for development, remove hampering governmental restrictions, give labor ample reward for its services, and place this Republic in a position to lead the world morally, financially, and in all movements which make for world peace and prosperity.

Mr. EDGE. Mr. President, I desire to consume about 10 minutes' time of the Senate to discuss what appeals to me to be an outstanding feature of the tariff bill, one which appears in the bill and is provided for as reported by the committee, which has not yet been reached in the ordinary way, but which I believe should be given consideration even before it is reached because of its paramount importance.

I refer to that section of the bill which provides for elasticity of administration of the tariff law and which provides discretionary power likewise in the administration of the law. I may say very frankly that if the tariff bill in its final form fails to provide, otherwise than through congressional action, some method through which individual schedules can be revised, downward as well as upward, as circumstances and investigation should warrant, I can not vote for it. I am making this declaration thus early, as I do not wish my possible position later to be misunderstood.

I am a firm believer in some elasticity in the administration of a tariff law. The abnormal trade conditions of to-day and the accompanying necessity for continually revising economic business relations makes it absolutely impossible for any tariff law to long meet situations which are changing so rapidly. It is unthinkable, especially in view of the time consumed in the consideration of this bill, that Congress should be the only authority permitted to readjust tariff schedules.

At the best, because of lack of technical knowledge, Congress is poorly equipped, and, anyhow, there are too many other problems the solution of which the country demands at our hands. I freely admit my lack of knowledge as to the wisdom of many of the schedules I have voted on during the consideration of this measure. I think it is perfectly fair to assume that there is not a Senator who would for one moment claim he could vote with anything like comprehensive knowledge of the effect of a majority of the schedules.

Of course, Senators on either side of the Chamber have their convictions as to general policy, which I do not criticize, but the individual raising or lowering of rates I must assume have been the result of study and investigation upon the part of the committee. Generally speaking, I have followed the recommendations of the committee. I have questioned their wisdom in a number of cases, but in the final analysis I have felt that a committee spending weeks and months studying details of trade, receiving reports from experts and governmental bodies appointed for the purpose, should of necessity be better informed than I could possibly expect to be. So therefore it has been my policy, as stated, usually to support the committee.

However, repeat that I am not entirely satisfied—far from it—with the bill as presented, and I would not feel justified in voting for it if I felt that all these schedules were to remain hard and fast until some future Congress again undertook a revision of the tariff.

I have always felt that legislative authority or responsibility consisted, or at least should consist, mainly of formulating policies and not dealing so much in details of administration. The latter power, to be successfully applied, must not be too greatly circumscribed and much latitude should be delegated to others. Again, may I repeat, with all respect, that this Congress, or no other Congress, is equipped to enact scientific tariff schedules and that to properly serve the country they should be flexible. If delegated power is badly administered, Congress always has the power to revoke or repeal such authority.

Democratic criticism of the bill has not, generally speaking, greatly influenced me, because it has so frequently been followed by glaring inconsistencies. Our friends on the other side of the aisle admit that fundamentally they are opposed to the policy of protection. Fundamentally I favor the policy of protection and firmly believe the history of the prosperity of the country in the past in every way justifies such a conviction.

That even Democratic approval or disapproval, however, is largely influenced by local or sectional conditions and, convictions as to policy goes to the four winds is amply demonstrated and emphasized by many Democratic votes for an increased tariff where the commodity or product was locally produced. Apparently it is not very difficult for an ardent Democratic free trader to suddenly become a shouting protectionist if local interests are affected.

It only all goes to prove if a tariff bill is to be equally fair to producer and consumer alike, some less directly interested agency than Congress must be delegated with greater power.

I look forward to the day when Congress will not be so jealous of its prerogatives and will adopt a policy which will provide for a bipartisan commission of trade and production experts delegated with real authority to prepare and administer tariff bills. As international trade expands, as the various countries of the world are brought closer together because of trade necessities and transportation developments, so the possibility of a tariff bill lasting as an effective measure longer than it takes to write it becomes more and more remote.

Mr. FRELINGHUYSEN. Mr. President, will my colleague suffer an interruption?

Mr. EDGE. I yield to my colleague.

Mr. FRELINGHUYSEN. The Senator is familiar, probably, with an amendment which I have proposed to the pending bill providing for an enlargement of the Tariff Commission in numbers, increase of salaries, and added powers to give them the authority to recommend to Congress certain rates based upon the difference in the conversion costs here and abroad or in the competing countries, and where the conversion costs in the competing country can not be found to take the landed selling cost for an article as compared with the domestic wholesale selling price, the commission to report to Congress their conclusions and leave Congress free to act.

As I understand the Senator's position, he not only approves of that amendment and that policy, but he goes further and is in favor of empowering that governmental agency actually to fix the rates. Am I correct in that assumption?

Mr. EDGE. Not entirely. I do not think it would be constitutional for an agency of that character to fix rates. I am in hearty sympathy, let me say, with the proposed amendment of my colleague, providing for a nonpartisan or bipartisan commission of experts to consider tariff rates. But, I go a step further, as my colleague suggests, by indorsing the provision now appearing in the pending bill, which provides that the President of the United States shall have a certain latitude in lowering or raising tariff schedules upon such information as he deems wise and proper, and upon the promulgating of a proclamation to that effect. So I am, to an extent, combining the features of his proposed amendment with the additional, as I view it, necessary power to give some latitude, so far as it can be done constitutionally, to some official of the Government.

Mr. WALSH of Montana. Mr. President, I should like to get a little more definite information from the colleague of the Senator who has the floor concerning his amendment, with the permission of the junior Senator from New Jersey.

Mr. EDGE. I yield to the Senator from Montana.

Mr. WALSH of Montana. The present commission, as I understand the matter, is authorized to ascertain the difference in the cost of production here and abroad, and it is undertaking to do so and to give that information to the Senate so far as it has been able to secure it. If I understand the amendment offered by the senior Senator from New Jersey, it merely amplifies the powers given to the commission to the extent that it authorizes them to recommend the rate.

Mr. FRELINGHUYSEN. To give that information and those facts which impel their findings.

Mr. WALSH of Montana. I am simply endeavoring to find out how much additional authority is given to the commission by the amendment proposed by the senior Senator from New Jersey. The present commission is authorized expressly by the act creating it to determine the difference in the cost of production here and abroad in the case of each duty. It is not authorized to recommend what rate ought to be imposed. Is there any additional power granted to the commission by the amendment proposed by the Senator?

Mr. FRELINGHUYSEN. Most certainly. In addition to the powers which the commission already has, the amendment provides a fundamental principle for ascertaining the tariff rates based upon the difference in the conversion cost here and abroad; that is, the difference in the production cost. I am not going into that. I shall do so when the amendment is before the Senate. Nevertheless, it provides for ascertaining the difference in the two costs of production and gives power to the commission to call in advisory committees; in other words, it lifts from the present Finance Committee of the Senate the burden of the hearings, but provides that all the facts analyzed which would appear from the hearings of those committees, whether brought out by manufacturers interested in industry or importers or consumers or transportation men, shall be reported to the Congress, together with the findings.

The amendment goes further than that, and confers a power which they do not now have, and that is, where the conversion costs or the production costs can not be ascertained, that they shall take the landed selling price of the foreign article and the domestic wholesale selling price, which can be obtained, and that they shall submit with the facts so ascertained their findings as to what the tariff rates should be.

Mr. EDGE. Mr. President, I wish to be courteous, but I should really like to proceed with my remarks and conclude them.

Mr. FRELINGHUYSEN. I really do not want to infringe upon the Senator's time.

Mr. EDGE. I will be glad to extend every possible courtesy to my colleague.

Mr. FRELINGHUYSEN. I thank the Senator for his courtesy. He has studied the subject in which I am deeply interested, and I wish to understand his position.

Mr. EDGE. I know my colleague is prepared to debate the amendment which he has offered in detail at a later date.

Mr. President, returning to the bill before the Senate, I regret somewhat that the President is called upon to assume this additional responsibility and burden, because I feel the Chief Executive has sufficient to do as it is, but under existing conditions it would seem impossible to place it elsewhere for the present. The President, of course, can not carry on the work personally, and will therefore undoubtedly depend upon a tribunal whose duty it will be to obtain the facts and which will not be governed alone by political party traditions, be they free trade or protection, but whose administration and advice will be first influenced by trade and industrial facts.

As the Government has insisted on assuming control of practically all business activities, then the Government owes it to business to give prompt decisions as to governmental policy. A tariff bill is the very foundation of business development.

This is possibly a bit aside from my discussion, but I sometimes feel that the present tendency toward investigation, regulation, and at times participation is destroying business initiative. Men feel it is useless to endeavor to develop possible resources because of uncertainty as to the Government's position.

It is all very well to try to prescribe a formula for business, but oftentimes I feel that the present determination to control and police every endeavor is resulting in a type of inertia that in the final analysis means plenty of theory in Washington but a national insolvency which will result in final disintegration and disaster.

Now, if on top of this we pass a tariff bill the subsequent administration of which demonstrates that while it affords ample protection it is unnecessarily destructive of American export business, there must be some authority to make quick alterations rather than to await the slow process of congressional action.

Referring to the necessity for elasticity in tariff schedules, President Harding on December 6, 1921, on the convening of the present session, when delivering his message to the Congress, made his position in this regard perfectly clear in the following language:

Every contemplation, it little matters in which direction one turns, magnifies the difficulty of tariff legislation, but the necessity of the revision is magnified with it. Doubtless we are justified in seeking a more flexible policy than we have provided heretofore. I hope a way will be found to make for flexibility and elasticity, so that rates may be adjusted to meet unusual and changing conditions which can not be accurately anticipated. There are problems incident to unfair practices, and to exchanges which madness in money have made almost unsolvable. I know of no manner in which to effect this flexibility other than the extension of the powers of the Tariff Commission, so that it can adapt itself to a scientific and whole just administration of the law.

I am not unmindful of the constitutional difficulties. These can be met by giving authority to the Chief Executive, who could proclaim additional duties to meet conditions which the Congress may designate.

At this point I must disavow any desire to enlarge the Executive's power or add to the responsibilities of the office. They are already too large. If there were any other plan I would prefer it.

The grant of authority to proclaim would necessarily bring the Tariff Commission into new and enlarged activities, because no Executive could discharge such a duty except upon the information acquired and recommendations made by this commission. But the plan is feasible, and the proper functioning of the board would give us a better administration of a defined policy than ever can be made possible by tariff duties prescribed without flexibility.

Again, I quote from the same message:

In this proposed flexibility, authorizing increases to meet conditions so likely to change, there should also be provision for decreases. A rate may be just to-day and entirely out of proportion six months from to-day. If our tariffs are to be made equitable and not necessarily burden our imports and hinder our trade abroad, frequent adjustment will be necessary for years to come. Knowing the impossibility of modification by act of Congress for anyone or a score of lines without involving a long array of schedules, I think we shall go a long way toward stabilization if there is recognition of the Tariff Commission's fitness to recommend urgent changes by proclamation.

A number of Senators, in criticizing the pending bill have suggested that it be returned to the committee to be rewritten. The Senator from Wisconsin [Mr. LA FOLLETTE] only last week gave this necessity as his viewpoint. But how would such action result in any great fundamental change of policy? Many amendments have from time to time been suggested by the committee since the bill has been before the Senate, but there is no indication that a majority of the committee would make the revolutionary changes apparently demanded by some of the critics. It all comes back to the policy suggested by the President, with which policy I am in absolute agreement. There never will be a really scientific tariff bill produced unless its



groundwork, at least, is predicated upon the investigation of nonpartisan interests where sectional demands can not have the controlling effect.

Personally, while fully subscribing to the policy of protection as measured by the honest difference between the cost of production at home and abroad, plus a reasonable profit, I recognize that the problem is more involved to-day than ever before in the history of the country. I am one of those who confidently believe it is absolutely essential to encourage and develop American export business if we are to reach anywhere near the maximum of prosperity necessary to increase employment and, naturally with it, contentment at home. During my short career in the Senate I have very frequently presented this view and endeavored to suggest constructive legislation to help develop export trade. I recognize fully that trade can not alone go in one direction; that if we are to be permitted to export we must import; that if we sell we must buy; and that to-day European countries can hardly reimburse us through any other agency than by an exchange of goods. I believe such exchange should be encouraged, and encouraged on a much larger scale than trade reports register at the present time. I recognize that embargoes and too heavy duties operate against a correction of this condition; but I recognize likewise that positive and distinct discrimination should be made by us as to what commodities we will permit to make up the volume of our imports and those which it is inimical to our domestic interests to encourage. I feel that Congress is hardly equipped clearly to balance the necessity of these discriminations, and it makes me all the more positive that other agencies, purely American agencies, must be employed. I have often said we can not have the cake and the penny both. We must sell a certain proportion of our farm and manufactured products abroad if our people are to be employed, and, conversely, we must receive from the other side certainly products not too directly in competition with our own.

Therefore, I repeat, the passage of this hard and fast tariff bill, without opportunity for certain elasticity of rates, might prove a national calamity. As much as I realize in many cases the necessity for higher schedules for our farm and factory products, I feel that I would fail in my duty if I finally supported a measure which, while it unquestionably provides much needed protection, still might result in a further diminution of our trade with the world, so necessary to the prosperity of every class of citizenship.

A tariff which, while affording better protection, still results primarily and practically in a general raise of prices at home, without a corresponding encouragement of world's trade, narrows our possibility for development to a trade confined to ourselves, which is not, in my judgment, a real interpretation of a broad and enlightened protective policy or a lasting solution of our economic ills.

Mr. HEFLIN. Mr. President, the Senator from Connecticut [Mr. McLEAN] in his speech this morning told us about factories being closed down and wages being reduced in Connecticut, and attributed that condition to the competition of Germany. I thought while the distinguished Senator was speaking of how the deadly deflation policy operated and how much ruin it wrought even to some interests in his State. Not a word did the Senator say about that, but he offers as a cure for all ills the high protective tariff of the Republican Party. He told us the value of the articles manufactured in a year in his State; he gave us figures as to production, running up into the hundreds and hundreds of millions of dollars.

Mr. President, a considerable portion of the manufacturers of the State of Connecticut consist of cotton goods, the raw material of which is raised by the cotton producers of my State and section at starvation prices and bought by the spinners of Connecticut at a price away below the cost of production. The Senator did not mention the cotton industry, but talked of what his State produces in the way of manufactured articles.

Every time, Mr. President, we approach the vital issue before this country, which is the matter of properly administering the greatest banking system in the world, we find the shrewd Republican leaders dodging and going around the main issue. They do not want the people to be informed upon that question; they do not want the people to know that money and credits are as essential to the life of their business as air and water are to the life of the human being. They are moving heaven and earth now to have the present governor of the Federal Reserve Board reappointed. Such a propaganda has never been carried on as that which is going on in the country now. Business men's clubs and bankers' conventions are being

asked to indorse him for reappointment; and not long ago, strange to say, Mr. President, the great Harvard University conferred upon him the degree of LL. D.

#### HARVARD AND HARDING.

Mr. President, the most remarkable instance of a slight-of-hand performance perhaps ever witnessed in our country was that presented not long ago by the faculty of Harvard University when, with perfect control over their risibilities and without moving a muscle or batting an eye, they conferred the degree of LL. D. on W. P. G. Harding. [Laughter.] Horatius at the bridge and Leonidas at Thermopylae never displayed such grim boldness and reckless daring as did the members of the Harvard faculty when, in defiance of the pride and interest of her honored living and in utter disregard for the memory of her illustrious dead, they conferred the degree of LL. D. on W. P. G. Harding. [Laughter.]

Oh, Mr. President, Columbus discovered America, but I am persuaded to believe that if he had known that such a travesty upon the proprieties attaching to a great American institution of learning would one day be perpetrated here, he would have permitted the legend "Ne plus ultra"—No more beyond—to remain upon the scroll of the Spanish coin around the pillars of Hercules.

Theodore Roosevelt, a brilliant graduate of Harvard in her better and brighter days, used to carry a big stick and terrorize big crooks; but the fates spared him the dreadful ordeal of seeing and hearing the money changers of Wall Street chuckle when Harvard conferred the degree of LL. D. on W. P. G. Harding. [Laughter.]

Verily, LL. D. degrees are in greater abundance at Harvard now than ever before, and those in control of them far more careless and indifferent as to their disposition than ever were their illustrious predecessors.

If there are any others who served Wall Street financiers through the Federal Reserve Board's ruinous deflation policy who feel that they, too, are entitled to a Harvard degree of LL. D., the same as W. P. G. [laughter], I respectfully refer them to Mr. F. H. Curtiss, intimate and influential friend of the faculty at Harvard and a prominent member of the committee of economic research of that institution. In addition to his close and potential connection with Harvard University he is now, by appointment at the hands of W. P. G. Harding, chairman of the Federal Reserve Bank of Boston, at a salary of \$18,000 a year.

Mr. President, we can not escape the conclusion that it was deemed advisable to secure for W. P. G. a Harvard degree of LL. D. [laughter] to help Wall Street in its efforts to get him reappointed governor of the Federal Reserve Board.

O tempora, O mores!

Shades of Oliver Wendell Holmes, Emerson, and Lowell!

Come back, O spirits of the cultured and mighty dead, and restore the equilibrium of the Harvard of other days.

Mr. POMERENE. Mr. President, I want to speak very briefly on the subject of vegetable oils.

Very frankly, I should like to see all of these oils placed upon the free list. When I say "these oils," I mean cottonseed oil, coconut oil, peanut oil, and soya-bean oil. These oils are both edible and nonedible; that is, certain qualities of them are edible and certain of them are not edible.

These oils enter not only into the industrial life of the country but into the domestic life of the country as well; and if I understand the amendment which has been proposed by the Finance Committee it is to place these oils substantially on the free list so far as they enter into the manufacturing of articles which are not used for food purposes.

I am glad they have made that concession. I do not think the average citizen realizes the extent to which these oils are consumed in this country in manufacturing purposes. I am going to discuss this question rather from the standpoint of the soap makers of the country.

In the State of Ohio there are 27 large soap manufacturers who use these oils. There are more smaller ones, but there are 27 that may be regarded as large soap producers. The largest of these, of course, is the Procter & Gamble Co., of Cincinnati, manufacturers of Ivory soap. This company manufacture coconut oil. To some extent they would be benefited by having coconut oil put on the dutiable list. They are not asking for it, however. They realize that with their mill making coconut oil it would be an advantage to them over their competitors, but they are taking the larger view, the national view of this tariff question so far as it relates to their business. The coconut oil which these companies use is very largely produced in the Philippines. There is one coconut-oil mill that I

speak of here in the United States, and it is owned by the Procter & Gamble Co.

Other Senators have indicated in what they have said the large extent to which these oils are used. The soap goes into every family and every household. Not only are the manufacturers of the soaps opposed to the duty on these oils but the laundries as well. I have a very large number of letters and other communications, partly oral and partly in telegrams, bearing upon this subject; and, as I now recall, nearly all of them protest against these high rates of duty, because if they are imposed they are going to add substantially to the cost of production, and they are going to add largely to the cost to the consumer.

The rate on coconut oil under the Senate bill is 4 cents; under the House bill 2 cents; under the emergency act it was 20 cents a gallon; under the Underwood Act it was free of duty, and so it was under the Payne-Aldrich Act.

Cottonseed oil under the Senate bill is made dutiable at 3 cents a pound, under the House rate 2 cents a pound, under the emergency act 20 cents a gallon, and under the Underwood Act and the Payne-Aldrich Act it is free.

Peanut oil under the Senate bill is dutiable at 4 cents a pound, under the House rate 2½ cents a pound, under the emergency act 26 cents a gallon, under the Underwood Act 6 cents a gallon, and under the Payne-Aldrich Act free.

Soya-bean oil under the Senate bill is dutiable at 3 cents per pound, under the House rate 2 cents per pound, under the emergency act 20 cents a gallon, under the Underwood Act and the Payne-Aldrich Act free.

The Senate Finance Committee in substance provides that these oils may come in free when they enter into the manufacture of soaps, and possibly when used for some other manufacturing purposes; but if they are to be used in the manufacturing of substitutes for butter, such as oleomargarine, then they are to be taxed.

Let me see if I can present this matter as it appeals to me.

I realize the selfishness at the basis of many of these rates, and it is pure, unadulterated selfishness. On the other hand, perhaps it may be said in some sense of the word that those who advocate that these oils be placed upon the free list are prompted in part by a selfish feeling. That may be so, but it seems to me that we ought to look at this matter from the national viewpoint; so I have been trying to find out in my own mind, if I could, a reason for putting these oils upon the free list when they enter into the manufacture of soaps and putting them on the dutiable list when they enter into the manufacture of edibles.

Reduced to its final analysis, the proposition means this: "Yes; we agree that cleanliness is next to godliness, and for that reason we think that for laundry purposes and for toilet purposes the people should have soap free of duty, and in order that it may be furnished more cheaply to the public we are going to put these raw materials upon the free list, so that the workingman, with his family, can get his soaps made out of oils that are on the free list; but Heaven forbid that his family should be permitted to use oleomargarine or anything else that is used for edible purposes without paying a tax!"

That is the situation. I suspect that the duty is going to be retained on these oils in so far as they are used for edible purposes; but it having been conceded that oils which are used in the manufacture of soaps for toilet and laundry purposes should be on the free list, I can not understand why the plain citizen and his wife and children should not be permitted to use the same oils in an edible form without paying a tax. That is as it appeals to me; and I am not going to take the time of the Senate to dwell upon the matter further. I could go into details. I have a lot of statistics here before me. I could consume several hours of the Senate's time in discussing this matter, but I think I have presented my thoughts in this very brief way, and they will be understood and perhaps as much attention paid to them as if I talked for several hours more and gave all this detailed information.

For these reasons, thus briefly stated, I shall vote to have these oils put on the free list if I have the opportunity. If I do not have that opportunity, I shall vote to have them placed on the free list to the extent permitted by the Finance Committee.

#### COLUMBIA BASIN IRRIGATION PROJECT.

Mr. JONES of Washington. Mr. President, I report back favorably from the Committee on Irrigation and Reclamation the bill (S. 3808) authorizing the Secretary of the Interior to investigate and report to Congress upon the Columbia Basin irrigation project. I call the attention of my colleague to this report.

Mr. POINDEXTER. I ask unanimous consent for the present consideration of the bill. It calls for an investigation and report by the Secretary of the Interior.

The PRESIDENT pro tempore. The Secretary will read the bill.

The Assistant Secretary read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Interior is authorized and directed to investigate and report as early as possible, and not later than the 1st day of January, 1924, on the essential features of the proposed Columbia Basin irrigation project referred to in the act of the Legislature of the State of Washington entitled "An act providing for the survey of the Columbia Basin irrigation project, creating a commission therefor, defining its powers and duties, and making an appropriation, and declaring that this act shall take effect immediately," approved March 1, 1919, in the following particulars:

Its water supply and the permanency and sufficiency thereof; the approximate watershed from which said water supply is to be derived and what, if any, natural reservoirs, such as lakes, are available for the storing of surplus waters for the irrigation of the land, the reclamation of which is contemplated by the said act, and any other lands capable of being irrigated by the waters to be conserved through such project in the said State of Washington or any other State; the character of the climate as it affects the agricultural development of the said land; the transportation facilities available therefor; the prospects and means of settlement; the engineering features of the proposed project, stating point of diversion of the water to be used in the said project and from what streams; the principal dam or dams which may be needed therefor and the general location, nature, length, and character of such aqueducts or canals as may be necessary for conveying the waters to the lands to be irrigated thereby; the cost and feasibility from an engineering and physical standpoint of such work as may be required to accomplish the purposes of the said project, both in the aggregate and the ultimate cost per acre to the land to be benefited thereby; and the views of the commission as to the general benefits to be derived from the completion of the said project in the way of markets for manufactured products, of increased agricultural production, of opportunities for home building, and the effect of the same, both upon the communities immediately affected and upon the Nation at large, and such other matters as in the judgment of the said Secretary may be of importance and pertinent to the proposed development.

SEC. 2. That for the purpose of carrying out the provisions of this act there is hereby authorized an appropriation, from any money in the Treasury not otherwise appropriated, of the sum of \$100,000, to be expended under the direction of the Secretary of the Interior in making such investigations, studies, and report.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. McCUMBER. I will not object, if it does not involve debate.

Mr. OVERMAN. I would like to have the Senator explain the bill.

Mr. POINDEXTER. Mr. President, this is a bill directing the Secretary of the Interior to make an investigation of this irrigation project and report to Congress. It appropriates nothing, but authorizes an appropriation of \$100,000 to carry out the investigation.

Mr. CARAWAY. Mr. President, may I ask the Senator a question? Does not that come under reclamation work now being done, and is there not a board or commission to investigate and report on such matters?

Mr. POINDEXTER. This is a special bill.

Mr. CARAWAY. I know it is; but is there not a board to report upon this very question of irrigation and reclamation?

Mr. POINDEXTER. No; there is not. There is a Reclamation Service in the Interior Department. The Secretary of the Interior would have that bureau available to aid him in this investigation.

Mr. CARAWAY. What is the reason why this particular project should be picked out and have a special investigation made of it when we have the bureau for general investigations?

Mr. POINDEXTER. There is a law requiring action by Congress before any irrigation project can be adopted. This bureau has no authority to make either investigations or reports, or to approve projects without the special authorization of Congress.

Mr. CARAWAY. Does not that bureau have any power to investigate?

Mr. POINDEXTER. Not new projects. That requires the authorization of Congress. Furthermore, I will say to the Senator from Arkansas, it is intended that this should be a special undertaking. On account of the size of it and the amount of money that will be required in case it should be approved, it was thought that there should be perhaps some independent authorization for this investigation, and that it should be carried on under special provision of law.

Mr. WALSH of Montana. If the Senator will pardon me, I may say, for the information of the Senator from Arkansas, that the proceeds from the sale of public lands go into what is known as the reclamation fund, and that is utilized for carrying on projects now under way. From time to time Congress has made very meager appropriations, to be utilized by the Reclamation Service in studying the possibilities of new projects; but that is an inconsequential amount. Congress has also



made special appropriations to discover underground sources of water, but there is no fund available, nor is there any authority vested in the Secretary of the Interior, under existing law, to carry out the purposes contemplated by this bill.

Mr. CARAWAY. Then, let me ask this question. What are the bureau's duties, and what useful service does it render, if it can not make investigations?

Mr. POINDEXTER. It can make investigations whenever it is directed to do so. It is the function—

Mr. CARAWAY. Why is it not directed to do so in this particular instance?

Mr. POINDEXTER. Because it was desired to put it upon a broader basis, and to invoke new agencies, on account of the extent of the project.

Mr. CARAWAY. It looks, then, to a very large appropriation in the future?

Mr. POINDEXTER. In case it should be approved, it would require a large appropriation, to be reimbursed, of course, from the land.

Mr. CARAWAY. I do not think the funds we have already appropriated have ever been returned.

Mr. POINDEXTER. They are being returned, and I have no doubt all will be returned.

Mr. CARAWAY. The information I got while I was a Member of the House was, as I remember, that they were postponing even the payment of the interest from year to year. I shall not object to the bill, but I was just trying to find out why this particular project should be selected for investigation.

Mr. POINDEXTER. I think it can all be summed up in the statement that the view of those who are interested in it was that the proposed project is of such extent, and the expenditures would be so large in case it should be approved, that it would be better to provide a special agency by which the investigation should be made.

Mr. BORAH. Mr. President, I have not had time to read this bill, but I understand it is the unanimous report of the committee?

Mr. POINDEXTER. It is.

Mr. BORAH. Does the bill contemplate an investigation by other agencies than those which ordinarily, under the Reclamation Service, would make an investigation?

Mr. POINDEXTER. Not necessarily. It leaves that in the discretion of the Secretary of the Interior. For instance, General Goethals made an investigation of this project and a report on it, basing it very largely upon an investigation made by the State of Washington. If the Secretary of the Interior should choose to avail himself of the information which General Goethals has, he would have the opportunity to do so under this bill.

Mr. BORAH. That is the reason why I asked the question. I am simply seeking information. I am very much interested in this project, as all western men are.

Mr. WALSH of Montana. Let me state to the Senator from Idaho that the bill as originally proposed contemplated the creation of a commission consisting of three members, one to be appointed by the Secretary of the Interior, one by the Secretary of Agriculture, and one by the Secretary of Commerce; but the committee could see no reason why the investigation could not be most effectively carried on by the existing organization of the Reclamation Service under the direction of the Secretary of the Interior.

Mr. BORAH. Then, really all the bill does is to authorize a sufficient fund simply to make the investigation. They might make the investigation now if they wanted to do so?

Mr. POINDEXTER. I suppose they might. I may not be thoroughly informed on it, but my information is that the Reclamation Service does not undertake investigations of special projects. It certainly does not carry them on to the point of complete surveys without special authorization.

Mr. OVERMAN. What is meant by authorization? Does it mean that they will come to Congress at the next session and ask for an appropriation of \$100,000 for this purpose? The bill authorizes but does not appropriate.

Mr. POINDEXTER. It does not appropriate.

Mr. OVERMAN. What is the reason of that? When does the Senator think an appropriation will be desired?

Mr. POINDEXTER. In case the bill shall pass the House of Representatives and become a law we will desire it as soon as the Appropriations Committee would approve it. It will have to go before the Committee on Appropriations.

Mr. OVERMAN. Yes; it is only an authorization.

Mr. WALSH of Montana. Perhaps a misunderstanding might arise by reason of something that was said in answer to an inquiry made by the Senator from Arkansas. Of course, before

any project was entered upon it became necessary for the Reclamation Service to make an investigation as to whether or not a particular project was feasible. Having found certain projects feasible, those projects were entered upon and have been completed or practically completed. Those projects having taken all the available funds, and no more funds really being available for the purpose of prosecuting investigations, Congress has from time to time made meager appropriations to carry on investigations concerning the feasibility of other projects.

Mr. OVERMAN. I understand General Goethals has made an investigation of this matter. Who paid him?

Mr. WALSH of Montana. He was employed by private parties interested in the project, and the State of Washington has appropriated and expended \$150,000.

Mr. OVERMAN. The State of Washington having made a thorough investigation, and General Goethals having done the same, why authorize an appropriation of \$100,000 more to make an investigation?

Mr. WALSH of Montana. It is conceded, as I understand the matter, that Congress would scarcely care to enter upon the project without an official investigation made by its own agency.

Mr. OVERMAN. That is what I want to get at. Who is to make the investigation?

Mr. WALSH of Montana. The Secretary of the Interior.

Mr. ASHURST. Mr. President, in reply to the suggestion of the Senator from Arkansas [Mr. CARAWAY] as to no repayments being made of money advanced from the reclamation fund, the Reclamation Service reached its twentieth year on the 17th of June last, and during the first 19 years \$171,996,476 were expended, and there have been repaid, in the first 19 years, \$46,125,559.

I ask unanimous consent to include in the RECORD at this point a table showing the amount appropriated for each project, and the amount returned to the Treasury of the United States. I hope the bill will pass at this time.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,  
UNITED STATES RECLAMATION SERVICE,  
Washington, D. C., August 6, 1921.

HON. HENRY F. ASHURST,  
United States Senate.

MY DEAR SENATOR: In the absence of Director Davis we duly received your letter of July 20, 1921, to him, requesting a revision of figures sent to you in 1919, showing the net investments in several Government reclamation projects.

When your letter arrived we were, for other purposes, compiling such data to the end of the last fiscal year, and as that is a convenient period to use, it seemed best to withhold reply until these figures were available.

I am now sending them herewith in a tabulation similar to the one returned with your letter.

You may recall that these figures were made up in this way originally by specific request from your office by telephone. They are not in the form that we would select for ordinary purposes of publication because there is danger that they will mislead.

In other words, the inclosed figures are bookkeeping data and involve considerable duplication that swell the totals and make these misleading unless there is given and read with them considerable explanation. For example, we are constantly transferring from one project to another machinery, equipment, and materials in order to work the greatest economy and efficiency in utilizing these.

To keep the books showing the investments in any particular project, it is necessary to include an agreed value for such things transferred from and to the project. Thus, the total investment for each project includes "transfers received" of such things, and the column "Reimbursements and credits" includes "transfers issued." On any particular project these two entries necessarily differ, and hence must be included to bring out the net investment for that project, whereas for all projects these items merely balance one another and swell the totals, aggregating upward of \$8,800,000.

The figures given for total investments include cash disbursements from the reclamation fund, appropriations for "increase of compensation" and other special appropriations, such as that of a million dollars toward the cost of Elephant Butte Dam under the act of March 4, 1907; others for judgments of the Court of Claims, the funds for the Yuma auxiliary project, etc.

At the bottom of the table you will notice a number of other items added to bring the figures into agreement with our book totals. The "secondary projects" include a great number of possibilities that have been surveyed or examined from time to time in addition to the projects actually undertaken. For example, in Arizona this includes the San Carlos, San Pedro, Sentinel, and other propositions that will occur to you.

The item of "general expense" includes headquarters offices at Washington and Denver for administration, engineering design, and other purposes, legal services, and many other items that can not readily be allocated to particular projects except in bulk from time to time on the basis of expenditures or similar criteria. This item of general expense is the largest one included under the head of transfers already mentioned.

The item entitled "Indian projects" represents expenditures from the reclamation fund reimbursed by the Indian Bureau.

If you intend to publish these figures and want to avoid the possibility of misleading suggested above, you may want to use merely the figures of "net investment." In most cases we find that figures of cost rather than investment answer the questions in the minds of in-

quirers, and if you wish figures on a cost basis, or if we can otherwise be of further service in this connection, we shall be glad to do so.

Very truly yours,

MORRIS BIEN, Acting Director.

Reclamation projects investment to June 30, 1921.

State.	Project.	Total investment of United States.	Reimbursements and credits.	Net investment of United States.
Arizona.....	Salt River.....	\$14,738,768.28	\$4,800,610.32	\$9,938,157.96
Arizona-California	Yuma.....	11,353,345.18	2,330,516.52	9,022,828.66
California.....	Orland.....	1,330,107.50	411,650.07	918,457.43
Colorado.....	Grand Valley.....	4,051,877.50	234,165.35	3,817,712.15
Do.....	Uncompahgre.....	7,873,432.32	1,214,326.00	6,659,106.32
Idaho.....	Boise.....	15,080,000.12	3,168,134.50	11,911,865.62
Do.....	King Hill.....	1,359,866.98	54,356.61	1,305,510.37
Do.....	Minidoka.....	8,866,272.26	4,038,517.85	4,827,754.41
Kansas.....	Garden City.....	402,424.80	69,063.14	333,361.66
Montana.....	Huntley.....	2,511,337.38	841,256.80	1,670,080.58
Do.....	Milk River.....	3,881,950.40	210,097.77	3,671,852.63
Do.....	St. Mary Storage.....	2,904,882.94	158,505.01	2,746,377.93
Do.....	Sun River.....	4,354,658.49	456,792.73	3,897,865.76
Do.....	Lower Yellowstone.....	3,780,806.97	318,825.18	3,461,981.79
Nebraska-Wyoming.....	North Platte.....	14,240,256.48	2,960,317.42	11,279,939.06
Nevada.....	Newlands.....	7,691,341.87	1,349,537.06	6,341,804.81
New Mexico.....	Carlsbad.....	1,893,115.31	677,633.86	1,215,481.45
Do.....	Hondo.....	407,745.12	35,842.46	371,902.66
New Mexico-Texas	Rio Grande.....	12,963,441.23	1,746,396.42	11,217,044.81
North Dakota.....	North Dakota pumping.....	1,584,033.21	519,601.59	1,064,431.62
Oklahoma.....	Lawton.....	(1)	(1)	(1)
Oregon.....	Umatilla.....	3,249,935.01	793,916.49	2,456,018.52
Do.....	Deschutes.....	2,041.83	7,407.29	5,365.46
Oregon-California	Klamath.....	3,986,187.17	990,872.96	2,995,314.21
South Dakota.....	Belle Fourche.....	4,413,894.12	1,012,666.36	3,401,227.76
Utah.....	Strawberry Valley.....	4,154,753.17	864,211.43	3,290,541.74
Washington.....	Okanogan.....	1,659,232.53	294,233.95	1,364,998.58
Do.....	Yakima.....	13,845,153.71	5,224,092.68	8,621,061.03
Wyoming.....	Shoshone.....	7,808,514.85	1,159,009.35	6,649,505.50
Do.....	Riverton.....	172,886.52	18,271.41	154,614.11
Various.....	Secondary.....	1,760,256.72	562,330.17	1,197,926.55
	Civil service, retirement and disbursement fund.....	22,785.00	16,925.18	5,859.82
* Subtotal.....		162,345,393.97	36,540,143.93	125,805,250.04
Wyoming.....	Jackson Lake enlargement.....	(2)	(2)	(2)
General expense.....		6,181,268.14	6,015,817.56	165,450.58
Indian projects.....		3,145,052.66	3,145,052.66	
	Yuma auxiliary drainage and cutover.....	221,774.18	424,080.63	* 202,306.45
		100,987.52	464.51	100,523.01
Total.....		171,996,476.47	46,125,559.29	125,870,917.18

\* Included in secondary projects.

\* Included in Minidoka project.

\* The reimbursements exceed the investment.

The PRESIDENT pro tempore. The junior Senator from Washington asks unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. POINDEXTER. There is a clerical error in line 22, page 2, where the word "commission" is used. I move to amend by striking out "commission" and inserting in lieu thereof the words "Secretary of the Interior," so as to read:

and the views of the Secretary of the Interior as to the general benefits—

And so forth.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7456) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes.

Mr. McCUMBER. I ask that the Secretary report the amendment offered by the Senator from Utah [Mr. KING] to the amendment of the committee.

The PRESIDENT pro tempore. The Secretary will read the amendment to the amendment:

The ASSISTANT SECRETARY. On page 22, line 4, in the committee amendment, the Senator from Utah proposes to strike out "4." before the word "cents," and to insert in lieu thereof "2," so that if amended it will read:

Coconut oil, 2 cents per pound.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Glass	McCumber	Shields
Baird	Gooding	McKinley	Shortridge
Borah	Hale	McLean	Smith
Bursum	Harrell	McNary	Smoot
Caldwell	Harris	Moses	Stanley
Capper	Harrison	New	Storling
Caraway	Heflin	Newberry	Townsend
Cummins	Johnson	Norbeck	Underwood
Curtis	Jones, Wash.	Oddie	Walsh, Mass.
Dial	Kellogg	Overman	Walsh, Mont.
Edge	Kendrick	Pepper	Warren
Elkins	Keyes	Polindexter	Watson, Ind.
Ernst	King	Pomerene	Willis
Fernald	Ladd	Ransdell	
France	La Follette	Rawson	
Frelinghuysen	Lodge	Sheppard	

Mr. HARRIS. My colleague [Mr. WATSON of Georgia] is absent on account of illness. I ask that this announcement may stand for the day.

Mr. HARRISON. I wish to announce that the Senator from Nevada [Mr. PITTMAN] is detained on account of illness in his family. I will let this announcement stand for the day.

The PRESIDENT pro tempore. Sixty-one Senators have answered to their names. There is a quorum present. The question is on agreeing to the amendment proposed by the junior Senator from Utah [Mr. KING] to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDENT pro tempore. The question now is on agreeing to the committee amendment.

The amendment of the committee was, on page 22, after line 3, to insert a new paragraph, as follows:

PAR. 50a. Coconut oil, 4 cents per pound; cottonseed oil, 3 cents per pound; peanut oil, 4 cents per pound; and soya-bean oil, 3 cents per pound: *Provided*, That such oils may be imported under bond in an amount to be fixed by the Secretary of the Treasury and under such regulations as he shall prescribe; and if within three years from the date of importation or withdrawal from bonded warehouse, satisfactory proof is furnished that the oil has been used in the manufacture of articles unfit for food, the duties shall be remitted: *Provided further*, That if any such oil imported under bond as above prescribed is used in the manufacture of articles fit for food there shall be levied, collected, and paid on any oil so used in violation of the bond, in addition to the regular duties provided by this paragraph, 3 cents per pound, which shall not be remitted or refunded on exportation of the articles or for any other reason.

Mr. GOODING. In paragraph 50a, page 22, line 6, after the word "pound" and before the word "*Provided*," I move to strike out the remainder of the paragraph.

Mr. LADD. Mr. President, I desire at this time to make a few observations with regard to the subject before us in connection with the matter of soap. I may say that I hope the amendment proposed by the Senator from Idaho to the amendment of the committee will be adopted.

As a matter of fact, according to the record there is only 4 per cent of the total soap produced in the country that is exported. The balance of the soap is used domestically. The total amount of imported soap is less than 1 per cent, and one-half of that is castile soap. In 1911 there was exported, in round numbers, from this country \$4,000,000 worth of soap. In 1918 it had risen to \$13,000,000, in 1919 to \$21,000,000, and in 1920 it was \$19,000,000. That is the latest information I have.

The soap manufacturer has enjoyed a duty on soap continuously, and he has at the present time, under the bill, a proposed duty of from 5 to 50 per cent ad valorem on all the soap that is imported into the country, and yet he has objected. However, the objection has come mainly from the producers of laundry soap and from the laundrymen themselves to a tariff duty on the vegetable oils.

I call attention again to what was stated in the editorial from Wallace's Farmer, which I placed in the Record yesterday, wherein it was stated:

The United States can produce her own fats. We don't want to make the mistake of Germany and build up an agriculture which in time of war can not be rapidly modified to furnish our full supplies of fats at home. Our soap manufacturers should be taught again to depend as largely on the fats and oils coming from American farms as they did before the war.

It further said:

It is more important that there be a tariff of 2 or 3 cents a pound on those tropical fats and oils that are used for nonedible or soap purposes than that there be a tariff of 3 or 4 cents a pound on the edible fats and oils. As a matter of fact, there is enough coconut oil coming in free from the Philippine Islands every year to supply the demand for edible fats and oils. Even more important than the tariff on hides is the tariff on tropical oils used for soap purposes.



Mr. President, in 1912 the soap manufacturers were using 35 per cent of vegetable oil and 65 per cent of animal and fish oils. Of this amount 17 per cent was cottonseed oil, but in 1917 the amount of cottonseed oil had fallen to 9.4 per cent of the total amount used. Coconut oil is rapidly displacing other oils, not only in soap making but as a substitute for cottonseed oil, peanut oil, and corn oil in butter substitutes, in lard, and various other preparations.

In 1912 we imported only 32,000,000 pounds of coconut oil. Before that time it was an industry that was practically negligible. In 1919 of coconut oil we were importing 490,000,000 pounds. Of soya-bean oil in 1912 we were importing 28,000,000 pounds, and before that time it had been practically a negligible quantity. In 1919 we were importing 337,000,000 pounds. In other words, from 1912 to 1919, inclusive, there was an increase in the amount of coconut and soya-bean oil of 767,000,000 pounds. This was used to displace oils produced in this country.

In butter substitutes in 1912 coconut oil only constituted 1½ per cent of the total amount used. In 1918 coconut oil in butter substitutes constituted 49 per cent, or practically one-half of all the butter substitute was coconut oil. Cottonseed oil in 1912 in the manufacture of butter substitutes constituted 83 per cent, but in 1918 it had fallen to 29 per cent, being displaced by the oriental cheap oils.

Of lard substitutes in 1912, 22 per cent was cottonseed oil. In 1918, 83 per cent was used of cottonseed oil and the balance of coconut oil.

The use of peanut oil is rapidly increasing, as is the use of coconut oil and soya-bean oil rapidly increasing, in the amount that is used in this country to displace the other oils that can be and are produced here.

I wish to place in the RECORD a letter from the Detroit Reduction Co., of Detroit, Mich., or a portion of the letter, wherein they say:

The proviso above quoted is the amendment which the Senate committee has placed in the bill that we are interested in having eliminated.

The soap and candle makers who use large quantities of vegetable oils would naturally import these materials under bond as provided by this amendment, but when the oils are once in their factories it will be difficult to tell what proportion will be used for nonedible products and what amount will go into edible products.

You will note that, as the amendment is written, three years may elapse from date of importation or withdrawal from bonded warehouses before proof need be offered to the Treasury Department as to the use of the oils. In my judgment, it would be very difficult for anyone to trace these oils after three years had elapsed. For this reason I think we are justified in asking that the amendment be stricken out and the tariff on vegetable oils be left in.

You will further note that there is nothing in the whole paragraph which contemplates that these oils will be used in the manufacture of products here and then reexported. While this may be an argument used by the soap makers, it is surely not provided for in the bill; in fact, the interests that are working hardest for free oils are the importing and exporting houses. They, however, merely figure that the oils would pass through the country and they would get their commission for handling the same. This would in no way help American manufacturers.

What we are asking is that the duty be placed on the vegetable oils in question, because they come in direct competition with garbage grease and greases produced by small rendering plants throughout the United States. It should be further made clear that if there is no duty on vegetable oils used in the manufacture of soaps and candles, for which purpose garbage grease and other low-grade greases are used, that then it will destroy the industry in which garbage-grease producers are engaged and in which our capital is invested.

Stating the case plainly, therefore, the question of issue is: Are we going to allow Japan and China to ship large quantities of vegetable oils to the United States, free of duty, and in so doing ruin a business to furnish a very liberal supply of low-grade greases for the soap and candle makers?

The case would also be different if the vegetable oils in question were imported from France, Belgium, Italy, or other European countries who are in debt to us and in need of help, but this is purely a product coming from the Orient.

The result would be that the oriental countries, where labor is very cheap, will ship their oils in here to the detriment of those engaged in the reduction of garbage and the recovery of grease therefrom merely to satisfy the demand of a few export and import houses and a number of soap and candle manufacturers.

#### THE SOAP MAKER AND THE FARMER.

The manufacturer of soaps, Mr. President, is not consistent. He pretends to be favorable to protection for the farmer producing oils like cottonseed oil, corn oil, peanut oil, and soya-bean oil, and it would seem for propaganda purposes offers the farmer an apparent protection on these oils and thereby closes the front door against importation of free oils, but cunningly provides that the back door shall be left open so he can slip in, unobserved, through this back entrance and, "blind pig" or "bootlegger" like, be permitted to have unmolested his protected graft while the farmer, as in the past, continues to pay the bills and is being forced out of farming by competition with cheap oriental labor, and this that the soap maker may continue to profit and prosper. To put an apparent tax on coconut oil

and then let in free copra is no protection, and will not long mislead anyone. I shall, therefore, move to make the necessary change when we come to copra. The Senator from Idaho [Mr. Gooding] has already moved to strike out the paragraph that would permit the introduction of coconut oil and soya-bean oil free.

I can not see why oils should be admitted free for soap with which to wash the hands while oils to be used as foods for the stomach should be taxed.

Mr. President, those who try to mislead the public by such a course are not on tenable ground. The soap manufacturer has big protection—on castile soap 15 per cent ad valorem; on toilet soaps, perfumed, 50 per cent ad valorem; on medicinal soaps 20 per cent; and on unperfumed toilet soaps 10 per cent. Even on all other soaps of the cheapest grade he has a protection of 5 per cent ad valorem, yet the soap manufacturer is flooding the country with propaganda against protecting the farmer in order that the soap manufacturer may continue to swell his profits. This is not justifiable.

If we do not intend to afford the farmer a modicum of protection, then let us say so; but let us not try, by this means, to mislead him, for his memory is good and his retaliation will be lasting.

I advise my good friend, the Senator from New Jersey, to inform the soap manufacturers that they do not come into court with clean hands, for they are not interested in seeing that the farmer, the producer of vegetable oils, gets a fair price for his product, but rather that the users of vegetable oils for soap making and other purposes get cheap raw material in an unprotected market produced by cheap oriental labor, in order that the soap manufacturer may have a full dinner pail and an opportunity for European travel, while the farmer is forced to the verge of bankruptcy and compelled to live as do the peasants of the competing nations.

I note from the Manufacturers' Record of Baltimore, under date of May 25, 1922, their editorial view.

I call attention to the fact that the Manufacturers' Record is not a western magazine; it is not a magazine that is supporting the agricultural interests of this country; but is a manufacturing journal which is published in Baltimore, Md., and ordinarily supports the manufacturing interests; but here is what is said editorially by that magazine:

For years the soap makers have enjoyed protection under Republican and protective tariff laws alike. This protection has been high as 20 per cent ad valorem for common soap, while raw materials had no protection at all. But now, when the farmers demand that they also be given consideration, the soap makers first urge Congress to give them only 5 per cent protection and the raw materials nothing at all; and then, when that appears dubious, aver that they would rather not have any protection at all than to have to let the farmers have it, too. That is, the makers of common soaps, for it is not controverted that the makers of the fancier soaps always want and get protection.

Our contention is that such a change of policy by the soap makers, after they have enjoyed years of prosperity under tariff protection, is immoral if not immoral. We are not experts in the ethics of selfishness, but we do know that the agricultural industry in the United States is more important than the soap industry, and we do know that it is more important that American vegetable oils sell in a protected market than that some soap makers sell some of their product in foreign lands. Not that the alternative exists, for we are quite confident that America will export soap even after vegetable oils are protected.

As has been the case, I may say, during the period of the emergency tariff. Again, the editorial says:

The position of the soap makers appears to be quite clear—they were willing enough to have tariff protection, and have had it for years, but the moment it is proposed to give tariff protection also to the manufacturers of raw materials, namely, the farmers who produce vegetable oils, why these same soap makers come into court and say, substantially, "Oh, well, in that case, rather than have the other fellow protected, we'll do without protection." They are not against protection for their product; they are only against it if the producer is also to get protection. There is a condition precedent to their enthusiasm for free trade. Indeed, they are not for free trade in soap at all.

How about the soap manufacturer of the past as compared with the farmer? The article says further:

But how long has it been since the soap makers began to think that possibly the cheaper soaps did not need much protection? In the act of 1909, when the agricultural bloc had not made protection of vegetable oils a real issue and they were coming in for the most part free, we find that these soap makers were getting 20 per cent ad valorem. It may be assumed that they asked for this high preferential and that it was not crammed down their throats. And makers of fancy soaps were getting as high as 50 per cent protection. Also, when Mr. UNDERWOOD wrote his free trade tariff law, the soap makers somehow managed to get 5 per cent on common soaps and as much as 30 per cent on perfumed soaps, while the makers of vegetable oils, the farmers, were getting nothing.

Let us see what the editorial thinks would be a fair deal for the farmers—and bear in mind all this comes from a journal published not in the interests of agriculture but it comes

from the Manufacturers' Record, published in the interests of the manufacturers. They conclude:

It would be good policy now for the soap makers to let the farmers have some of the same medicine which has made the soap makers themselves prosperous—that is, protection. We wonder how any sane American should want conditions otherwise. For instance, the emergency tariff act has made the peanut-growing industry again profitable in the United States. We think that is a fine achievement, and so do many farmers whose lands, ruined for cotton by the boll weevil, still have a living in them unless the soap makers are allowed to patronize the coolies of China rather than their own fellow citizens.

We had better be fair and give the American farmer a chance to supply raw material if we expect him to purchase the highly protected manufactured products.

I feel, Mr. President, that the tariff as proposed by the committee in this instance is justifiable and that the amendment proposed by the Senator from Idaho should prevail.

Mr. TOWNSEND. Mr. President, will the Senator from North Dakota yield for a question?

The PRESIDING OFFICER (Mr. BURSUM in the chair). Does the Senator from North Dakota yield to the Senator from Michigan?

Mr. LADD. I yield.

Mr. TOWNSEND. My understanding of this provision is that it is not a drawback provision, under which duty is to be paid on goods admitted in bond and then to be rebated when the goods are exported, but that it simply applies to goods shipped here in bond, and then the Government will have to go to trouble and great expense, and with the probability of failure, of detecting what is used for edible purposes and what is not?

Mr. LADD. That is correct; and it is practically, in my judgment, impossible to enforce such a provision.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Idaho [Mr. GOODING] to strike out the proviso beginning in line 6 on page 22.

Mr. FRELINGHUYSEN. Mr. President, the Senator from Idaho [Mr. GOODING] has moved to strike out the proviso inserted by the committee allowing a drawback or remittance of the tariff rates imposed on vegetable oils when such oils are used in industry. The situation confronting the committee was this: Vegetable oils prior to the emergency tariff act had been on the free list. The emergency tariff law placed a duty of 2 cents on soya-bean oil and on other vegetable oils which are not produced in this country. I felt, in view of the fact that there was no evidence before the committee that there was any prospect of any of these oils being produced in this country and none of them having ever been produced here, they should remain on the free list; but those who wish this protection for the farmer of the West, not realizing the tremendous ill effect it will have upon other products which vegetable oils take the place of, asked that a duty be placed upon vegetable oils because coconut oil is used in filled milk and soya-bean oil in oleomargarine, and to some extent replaces linseed oil. There was no evidence before the committee that these vegetable oils to any great extent are employed in the manufacture of edible food products, such as milk and oleomargarine, but that the vegetable oils imported from the other side are utilized to the extent of practically 85 per cent in industries which have a capital of nearly \$400,000,000 and provide employment for nearly 50,000 wage earners. Therefore, there being no prospect in sight of the production in this country of these vegetable oils, except here and there, I took the position that to impose this duty upon the industry in a case where protection was not needed was unwise, unsound, and uneconomic, and simply amounted to a tax upon the soap-making industry, which is entitled to consideration. Those engaged in that industry are taxpayers; they are employers of labor, notwithstanding the fact that they have been criticized and derided on this floor. The linoleum manufacturers are also equally entitled to consideration, as are the tire manufacturers and the paint manufacturers. There is a crushing industry in this country that is entitled to live; and when a tax is put upon vegetable oils simply from caprice, I claim that it is the duty of the Committee on Finance of the Senate to relieve that condition.

Acknowledging the claim of the farmers that to some extent adulteration might be practiced, although soya-bean oil is not edible, and recognizing the fact that probably some of the oleomargarine products might compete with butter, the dairy farmer's product, the committee provided that wherever these oils were imported for edible purposes the duty should be imposed, but that where they went into the industries they should be admitted in bond and the tariff remitted.

Mr. TOWNSEND. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Michigan?

Mr. FRELINGHUYSEN. I yield to the Senator.

Mr. TOWNSEND. In order to get the matter clear in my own mind, do I understand the Senator to say that there was no evidence before the committee and that there is possibly no evidence now before the Senate that coconut oil and soya-bean oil can be produced in quantities in the United States?

Mr. FRELINGHUYSEN. Yes, sir. The raw material is not available in the case of soya-bean oil. The copra is imported from the South Sea Islands and is crushed to a certain extent in the oil-crushing industry of the country, and coconut oil is produced in that way where the raw material is imported. Of course, the Senator knows that as far as the Philippines are concerned, 85 per cent, I think, of our coconut oil that is imported comes from there, and that if the coconut oil is admitted free this tariff does not reach that and can not reach it, owing to our understanding with the Philippines, and that if the use of coconut oil in filled milk is to be prohibited it can be done only by Federal legislation or by State enactment. Many of the States are passing laws against filled milk because, I am told, it is to a great extent adulterated, but we can not by this tariff law prevent the use of coconut oil in filled milk, because it comes in from the Philippines free. I will ask the Senator from North Dakota if that is not so?

Mr. LADD. Mr. President, coconut oil comes in from the Philippines, and naturally, the Philippines being a part of the United States, it comes in free, and that is enough to supply the domestic needs of this country for replacement oil. It is now replacing very largely the oils—corn oil, peanut oil, and cottonseed oil—that are produced in this country.

I shall have to differ somewhat in one respect from the Senator, however, when he says that soya-bean oil is not edible oil. It is used largely as a food product and is used already in a few preparations in this country after it is properly treated.

Mr. FRELINGHUYSEN. After it is re-refined.

Mr. LADD. Yes. It all has to be refined.

Mr. FRELINGHUYSEN. Does the Senator know to what extent it is used in edible products in this country?

Mr. LADD. No; we have not been able to learn to what extent it is used.

Mr. FRELINGHUYSEN. Do not the records show that during the war only about 8 per cent of the importations, which were very large, were utilized for food products?

Mr. LADD. I presume the Senator may be right. I have not the figures.

Mr. FRELINGHUYSEN. The truth of the matter is, Senators, that soya-bean oil is not edible in the United States, and is not used here as food; but Europe uses it, and it uses coconut oil.

Mr. LADD. Coconut oil, if I may say so to the Senator, is used largely as a food product here. Forty-nine per cent of our oleomargarine to-day is coconut oil.

Mr. FRELINGHUYSEN. Yes; and they use all of the oils. The point I am making is that if you close the market by a duty of 4 cents on coconut oil and 3 cents on soya-bean oil, you drive those oils right back into Europe, where they are utilized, and you force your cottonseed export oil right back into this country.

The statement has been made, and sincerely, by the Senator from North Dakota [Mr. LADD] and the Senator from Idaho [Mr. GOODING] that a soya-bean crushing industry can not be built up in this country. I read from a letter from the United States Department of Agriculture which said that soya-bean oil had not been produced to any great extent in this country since 1918 from American beans. In that connection, because I am convinced that we are chasing shadows in the belief that a soya-bean oil industry can be built up in this country, I ask to have read the letter which I send to the desk from one of the southern crushers.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read as requested.

The reading clerk read as follows:

SOUTH CAROLINA COTTON SEED CRUSHERS' ASSOCIATION,  
Columbia, S. C., June 26, 1922.

Senator J. S. FRELINGHUYSEN,  
Washington, D. C.

DEAR SENATOR: Absence from my office has caused my delay in answering your letter of the 17th. However, I hasten to reply.

About five years ago when it was realized that the boll weevil was about to make its advent into South Carolina, and would destroy a large part of the cotton crop, oil-mill men who had their money in oil-crushing mills began to look around to find a substantial crop that would bear oil-bearing seed. After making a thorough study, as we thought, of the various plants that might be used, we concluded that the soya beans offered the most.

A committee was appointed from the association to make a tour through the eastern part of North Carolina for the express purpose of studying how soya beans were grown and with what success they were used as oil-crushing material. We were very favorably impressed with the crop of soya beans in the eastern part of North Carolina.



There is no doubt about growing the beans. It is indeed a wonderful crop. We were so impressed that the association, itself, put quite a large tonnage of seed for distribution to the oil mills and to the farmers of the State for planting, hoping to gradually substitute this crop for cotton.

The result, however, of our efforts were sorely disappointing. Crops were grown all right. Good yields made, but the difficulty was in harvesting them. The nature of the bean is such that the entire crop in the field will ripen within a few hours, and is so ripe that the pods break open and the beans scatter on the ground.

I do not believe that 10 tons of beans were harvested. And the crop, so far as it being a money crop was concerned, was an absolute failure. It is a great crop to grow for cattle feed, but for oil purposes it is, in my opinion, a failure in this country.

It is my understanding that soya beans that come from the Far East, Manchuria particularly, are hand picked by cheap labor, which makes the crop entirely too expensive to be grown for oil-milling purposes here.

I do not know of any farmers who planted the beans at our suggestion who put them in the second year.

This brief statement is the experience that the South Carolina crushers had with its efforts to introduce this crop. When millmen are discussing the short supply of cotton seed and the possibilities of substituting oil-bearing seed, soya beans are not mentioned.

I trust what I have written above answers your inquiry.

Yours truly,

W. B. WEST, Secretary.

Mr. GOODING. Mr. President, if the Senator will allow me—

Mr. FRELINGHUYSEN. I yield to the Senator from Idaho.

Mr. GOODING. I should like to say to the Senator from New Jersey that yesterday I placed in the Record an article from the Country Gentleman telling the story of the soya-bean development in Illinois and Ohio, and it gives a complete story of the improved machinery which they are now using, and how they are saving the beans from being scattered on the ground, and how it is a money crop. If the Senator will be kind enough to read that article I am quite sure he will agree that the soya-bean industry in this country is going to be a great industry if it is properly protected, and if he thinks it is going to be a great industry I believe he would like to see it protected.

Mr. FRELINGHUYSEN. Mr. President, I do not believe it is going to be a great industry, because I do not believe that the farmers of the West will raise, with their other crops, sufficient of these beans, nor do I believe that the capital will be employed to crush them. They can raise other crops more effectively, and I think we are simply trying to protect an infant industry in prospect when the infant has not been born.

In order to procure more information I wired Swift & Co. on June 21, asking them the questions embodied in the telegram which I send to the desk and ask to have read.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The reading clerk read as follows:

JUNE 21, 1922.

SWIFT & Co., Chicago, Ill.:

Will you please advise me if, in your opinion, the products—oil and cake—resulting from the crushing of a ton of soya beans are as valuable as those resulting from the crushing of a ton of cotton seed, and if, as oil millers, you could pay as much per ton for soya beans as you could pay for cotton seed?

J. S. FRELINGHUYSEN.

Mr. FRELINGHUYSEN. I ask that the reply may be read.

The PRESIDING OFFICER. The Secretary will read as requested.

The reading clerk read as follows:

UNION STOCK YARDS, ILL., June 22, 1922.

Hon. J. S. FRELINGHUYSEN,  
Washington, D. C.:

Answering, our opinion oil millers could not pay as much for soya beans as cotton seed, as products manufactured from soya beans are not as valuable as from cotton seed.

SWIFT & Co.

Mr. FRELINGHUYSEN. Mr. President, yesterday my good friend the Senator from Idaho [Mr. GOODING] placed in the Record an article, which appears on page 10131 of the Record, from the Norfolk Ledger-Dispatch of Tuesday, June 30, 1922, in connection with my criticism of the 2-cent duty on soya-bean oil contained in the emergency tariff bill, which the record showed had resulted in a reduction of the imports from 195,000,000 pounds in 1920 to 2,000,000 pounds for the three months since the emergency tariff went into effect. The Senator tried to show that great importations were coming in and had this article read. I ask that the telegram which I send to the desk be read to go in the Record.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The reading clerk read as follows:

NEW YORK, N. Y., July 11, 1922.

Senator J. S. FRELINGHUYSEN,  
United States Senate, Washington, D. C.:

I understand that Senator Gooding yesterday read into the Record from a Norfolk newspaper describing the enormous amount of revenue the Government would receive from 1,800 tons bean oil imported into Norfolk. If that is so, I would ask you to kindly call the attention of

the Senate to the facts in the matter, which are as follows: At a personal interview which I, as well as other representatives of the vegetable-oil industry, had with Senator GOODING, at which we complained about the detrimental effects that the emergency tariff bill had had on prices for cotton oil due to Europe getting complete control at its own price of oriental soya-bean oil after American competition had been eliminated, Senator GOODING suggested as a cure that we try to import soya-bean oil and reexport it under drawback and thus break Europe's control. The soya-bean oil referred to as imported in Norfolk has been imported by my company and is the only lot of soya-bean oil that we have bought for importation since the adoption of the emergency tariff bill. It has been imported for the very purpose of experimenting on reexportation under drawback, as with prevailing emergency duty added to the foreign cost it becomes absolutely impracticable to import it for technical use into this country. This oil has all been placed in bonded tanks and we made application yesterday for withdrawal of a first part of same, which, after being refined, will be exported to Canada, where we have sold it. We hope to work off the balance the same way to Canada and Europe, but are afraid that it will be our first and last importation of this kind, because Government regulations for drawback appear to be too costly to allow us to compete with other countries, notwithstanding our better and cheaper refining cost.

JOHN ASPEGREN,  
President Portsmouth Cotton Oil Refining Corporation,  
Portsmouth, Va.

Mr. FRELINGHUYSEN. Mr. President, I want to give the farmers all of the protection necessary, but when they are trifling in this way with one of the greatest commercial products which they produce I believe that my position upon this question is absolutely sound.

In amount, edible fats are one of the greatest products of the farmers of this country, and if we are to put on a tariff simply through caprice or because we believe it affects some other product remotely, and at the same time destroy or impair our great export trade in cottonseed oil and hog lard, I believe I am protecting the farmer better when I say these oils should come in free, and not continue to be distributed in Europe to displace the hog lard and the cottonseed oil which the American farmer raises.

If the Senate is going to adopt this amendment and put this duty on vegetable oils, the result will be observed in the future and closely studied, and I want to put in the Record to-day a statement of the danger to the great productive areas of the West by reason of the fact that they are putting up these products in competition with their own home products which are exported to Europe.

In order to understand the position of the United States and American farmers in the world's edible oil trade, it is necessary to understand the position of this country as a producer, exporter, and importer of all kinds of vegetable oils and animal fats. What is our position? We are the largest producers of the highest grade edible oils and fats in the world. We produce the very choicest quality, and of these prime edible oils and fats we produce more than all of the other nations of the world combined.

The statistics which I have here show that for the past eight years our average yearly production, imports, and exports have been as follows:

	Pounds.
Hog lard, edible:	
Our average yearly production	1,900,000,000
Our average yearly imports	None.
Our average yearly exports	559,000,000
Neutral lard, edible:	
Our average yearly production	73,471,973
Our average yearly imports	None.
Our average yearly exports	21,290,000
Cottonseed oil, edible:	
Our average yearly production	1,391,934,375
Our average yearly imports	14,302,569
Our average yearly exports	203,954,624
(NOTE.—Imported variety noncompetitive inedible.)	
Oleo oil, edible:	
Our average yearly production	136,552,000
Our average yearly imports	None.
Our average yearly exports	92,643,000
Oleo stearin, edible:	
Our average yearly production	69,228,334
Our average yearly imports	None.
Our average yearly exports	23,687,334
Peanut oil, edible:	
Our average yearly production (principally from imported peanuts)	39,967,125
Our average yearly imports	47,170,750
Our average yearly exports	1,027,625
(NOTE.—Imported variety also used for industrial purposes.)	
Corn oil, edible:	
Our average yearly production	103,758,000
Our average yearly imports	None.
Our average yearly exports	36,872,000
Tallow, edible:	
Our average yearly production	38,365,000
Our average yearly imports	None.
Our average yearly exports	None.
Olive oil, edible:	
Our average yearly production	685,412
Our average yearly imports	49,327,333
Our average yearly exports	59,575

From these prime edible oils and fats we manufacture great quantities of products or derivatives, such as vegetable lard, vegetable stearin, and oleomargarine.

We can not take into account the production of these derivatives, because that would result in the duplication of the quantities of the prime oils and fats from which the derivatives are made, but we must take into account the exports of these derivatives, as in the exportation of them large quantities of the prime vegetable oils and fats were exported from the country.

	Pounds.
Vegetable lard, edible:	
Our average yearly production	1,156,084,750
Our average yearly imports	None.
Our average yearly exports	59,417,375

Mr. KING. Will the Senator kindly state the article of which the exports were 59,000,000 pounds?

Mr. FRELINGHUYSEN. Edible vegetable lard. I presume that is cottonseed-oil lard.

	Pounds.
Oleomargarine, edible:	
Our average yearly production	227,626,000
Our average yearly imports	None.
Our average yearly exports	9,615,167
Vegetable stearin, edible:	
Our average yearly production	23,819,334
Our average yearly imports	None.
Our average yearly exports	2,774,667

We are exporting tremendous quantities of our high-grade edible vegetable oils and animal fats.

Our annual production is approximately 3,400,000,000 pounds of these choicest edible oils and fats, and our exports are approximately 1,000,000,000 pounds annually. We have a tremendous exportable surplus of our high-grade edible oils and fats.

#### INTERCHANGEABILITY.

Mr. President, the vegetable oils and fats which we produce are all interchangeable in usage.

Salad oils are refined cottonseed oil, refined corn oil, refined peanut oil, or olive oil.

Vegetable lard and animal lard are used interchangeably. Vegetable lard is made principally of cottonseed oil, neutral lard, edible tallow, and oleo stearin, but peanut oil or corn oil can be used instead of the cottonseed oil.

Oleomargarine is made of oleo oil, neutral lard, cottonseed oil, peanut oil, corn oil, coconut oil.

All of these high-grade edible oils and fats may be considered as one homogeneous product. They are inseparably joined in market relationship.

Linseed oil is not interchangeable in usage with this great group of edible oils and fats, and from a tariff standpoint it is no more associated with the tariff problem as it relates to other vegetable oils than petroleum. The Senator from North Dakota [Mr. LADD] stated that linseed oil was in a separate department.

Mr. President, American farmers are producing approximately 500,000 tons more of edible oils and fats than we consume. Our cotton growers, corn growers, hog raisers, and cattle raisers are aggressively invading the consuming countries of Europe with their great surplus of edible oils and fats. We dominate the world's markets for high-grade edible fats, and our entire price structure is on an international basis. We must sell our exportable surplus of edible oils and fats in the markets of Europe in competition with the foreign surpluses of animal and vegetable oils produced by other agricultural countries.

Mr. SIMMONS. May I ask the Senator if he has carried out his calculations sufficiently to be able to tell us what proportion of these oils and fats is exported in the aggregate, and what proportion is consumed in this country? I do not mean as to any particular one of these many varieties of oils, but the proportion of all of them combined.

Mr. FRELINGHUYSEN. Before the Senator asked me the question I read that approximately the 500,000,000 pounds of edible oils and fats we consume are produced here.

Mr. SIMMONS. That includes them all?

Mr. FRELINGHUYSEN. I think that includes them all. I had a mass of figures, and I compiled them by taking the totals.

Mr. SIMMONS. We consumed, then, about 500,000,000 pounds of these various oils and fats. How many pounds do we export?

Mr. FRELINGHUYSEN. That would indicate, as I stated before, that we exported 1,000,000,000 pounds.

Mr. SIMMONS. We exported twice as much, then, as we consumed?

Mr. FRELINGHUYSEN. Our annual production of all of these edible products and their derivatives is 3,400,000,000 pounds, and our exports are approximately 1,000,000,000 pounds annually.

Mr. SIMMONS. We produce 3,000,000,000 and export 1,000,000,000?

Mr. FRELINGHUYSEN. We produce 3,400,000,000, according to the figures I have had compiled.

Mr. SIMMONS. The Senator has just made a very illuminating statement. He said a moment ago, before I interrupted him, that these oils and fats were upon a world basis of price; that is to say, that the price of the exportable surplus controlled and regulated the price of the domestic consumption. Am I correct in that statement?

Mr. FRELINGHUYSEN. As I understand it, the Senator is. That was the statement I made. I am informed that the prices of these oils are practically made by a group in Europe, and they are internationally uniform. It is somewhat similar to the price of wheat. I think generally the export price is the price on the Liverpool market.

Mr. SIMMONS. Then the effect of the Senator's statement is that where we export one-third of our domestic production, the price is fixed in the world market?

Mr. FRELINGHUYSEN. In this particular instance.

Mr. SIMMONS. Even as to the part that is consumed at home. If that be true, I desire to inquire of the Senator if he can see any reason why there should be a duty upon any of these products?

Mr. FRELINGHUYSEN. I stated that I firmly believe that the attitude of previous Congresses in admitting free the vegetable oils which are not produced here was a good policy. I also stated that I had not been convinced that our farmers intend to raise sufficient of the raw materials, the vegetables, to press these oils necessary to supply the domestic market. Therefore I believe that they should be free. But I also pointed out what the claim of the farmers of the West was. I want to say at this point that I believe the farmers have never had sufficient consideration by previous Congresses, and that they are entitled to protection where the industry is established and where it exists. I have religiously voted for these duties to protect the farmer.

Mr. SIMMONS. Mr. President—

Mr. FRELINGHUYSEN. I have not finished my statement. If those products were displacing certain dairy products and would give a larger market for the products at home, I was perfectly willing that a tariff should be imposed to keep the vegetable oils out of the edible products, but that I firmly believed it to be unwise to penalize an industry simply from sentiment; and I want to say there is a sentiment or a prejudice against these vegetable oils. But the larger question that impressed me was the fact that when we put a duty on these oils and do not give an outlet and allow them to be absorbed in the industries, we back them up in central Europe, and it backs up our hog lard and cottonseed oil products here and I do not think that is fundamentally sound in tariff making.

Mr. SIMMONS. Does the Senator think that it is a sound proposition to penalize one industry for the benefit of another industry?

Mr. FRELINGHUYSEN. I did not hear the Senator's question.

Mr. SIMMONS. The Senator said a moment ago that it might be to the interest of our dairy products to impose duties upon the oils of which he has spoken. I ask the Senator if he thinks we should impose a duty upon one domestic product for the benefit of another domestic product. Is that a Republican theory of tariff making?

Mr. FRELINGHUYSEN. I am not going to indulge in the philosophy of the question.

Mr. SIMMONS. I was not asking the Senator the question in any captious spirit.

Mr. FRELINGHUYSEN. I wanted to see these oils admitted free, but the committee believed in their judgment, where there was adulteration, as it had information that there was, and where the farmers' products were being displaced to a certain extent by an inferior product, that it was a good policy to impose a duty.

Mr. SIMMONS. I will state to the Senator why I asked the question. I did not know whether it was true or not, but I have heard it stated, and the Senator being a member of the majority of the committee I am trying to ascertain the facts, that it is proposed to put these high duties upon the oils and the nuts out of which the oils are made not in the interest of the oil industry, not because the oil industry was asking it, but because it was thought that the oils come in competition with the dairy products of the country, and it was proposed to place this obstacle and this handicap upon that industry for the benefit of the dairy industry of the country. I was intending to ask the Senator, if that were true, if any part of the purpose of imposing these high prohibitory duties upon these oils and fats which are imported was to protect the dairy industry from competition with those products, does the Senator think that that is a proper exercise of the tariff levying functions of the Congress? Does not the Senator think that



would be using the protective principle for the purpose of discriminating in favor of one domestic industry as against another domestic industry? Has protection advanced to that point in the United States?

Mr. FRELINGHUYSEN. Of course the Senator has asked me a very complex question. We made tariffs, I recollect, in the Underwood bill as to certain manufactured articles, where duties were imposed against articles because they replaced certain articles which were manufactured or produced here. I think that has not been a new thought.

Mr. SIMMONS. This is not a case of replacing certain articles that we produce. It is a case of displacing one article that we produce by another article that we produce; that is, not permitting the consumer in this country to determine the question of which one of those two articles he prefers.

Mr. FRELINGHUYSEN. That is true.

Mr. SIMMONS. As I understand the proposition, it is to settle the question for the consumer in the bill and say to him that we desire and intend that he shall buy dairy products to supply his demands and not vegetable oil products and to coerce him into deciding in favor of one American industry as against another we put a high duty upon vegetable oils because they compete with the dairy products.

I will say to the Senator that there has been legislation here and about this very subject which I have thought ever since the day of its passage—in fact, since I was a Member of the Senate—was one of the most iniquitous pieces of legislation ever written upon the statute books.

Years ago when I first came to the Senate the question of imposing a tax of 10 cents upon oleomargarine was one of the live questions of the day. I was a member of the Committee on Agriculture and Forestry at the time, and the first speech that I made in this Chamber was in earnest opposition to that tax. It was upon the ground that the tax was manifestly and admittedly levied for the purpose of discriminating against the product of the cottonseed producer and in favor of the product of the dairy farm. It was discriminatory legislation, which was not justified, and I think there are very few people in the country who have attempted to justify it. It was the dominating influence of a particular industry in the country that forced Congress into that legislation.

As I understand the Senator, one of the chief purposes of imposing these high duties upon the foreign nuts and foreign oils is to protect not the manufacturers of those oils and the growers of those nuts in this country but primarily to protect the dairy interests of the country from competition with those products. I say if that is the thought in this legislation it is wholly indefensible. It is an application of the protective-tariff system to discrimination among the domestic industries of the country. It is arraying one American industry against another American industry. It is protecting through the tariff the products of one section of the country in favor of the products of another section of the country. It is protecting the product of one American industry against the product of another American industry, whereas protection as originally expounded and as interpreted until the present day, I think, without exception, has been, as alleged by its advocates, for the purpose of levying taxes to protect American industry against foreign industry.

I did not ask the Senator the question in any captious spirit. I think that he and I agree pretty well—not altogether, possibly, but in the main—with reference to the imposition of the duties upon oils and nuts. I was asking the question for the purpose of securing information. I want to find out if that is one of the reasons or if that was the chief reason for increasing the duties up to the high rate provided in the bill. Is it to protect the dairy industry against the vegetable-oil industry of the country? Is it to protect the dairy industry of the country against the products of cotton seed and the products of peanuts and the products of soya beans? If it is, I would like to know upon what principle of tariff protection it can be justified. Nothing more vicious or more un-American has ever been advocated here, if, indeed, that is the reason for the proposed high rates.

Mr. FRELINGHUYSEN. Mr. President, the Senator knows that I am simply trying to defend the position of the committee with regard to the drawback clause. But I should like to ask him a question before I answer the question which he propounded to me. Did the Senator vote for a tariff duty of 2 cents on soya-bean oil in the emergency tariff act?

Mr. SIMMONS. Mr. President, I voted for nothing in the emergency tariff act.

Mr. FRELINGHUYSEN. If the Senator did not vote for that 2-cent duty in the emergency tariff act, I can not answer his question. But I have this to say in regard to the duty im-

posed by the committee on the vegetable oils where they were used for edible purposes. If the vegetable-oil industry menaced the entire dairy industry of the West and vegetable oils were imported in sufficient quantities to displace—a better word than replace—the farm products of the farmers and dairy farms of the West, I believe that the tariff would be justified. If those products were utilized for edible purposes here in destroying the product of the American farmer, I believe we should protect ourselves against them. Is that a sufficient answer to the Senator?

Mr. SIMMONS. The Senator astounds me. Are not both the vegetable oils and the nuts, as well as dairy products, products of the farm? Is it seriously proposed here that when, as in this case, there are two industries in the country, both legitimate, both recognized by the law, both products of agriculture, both regarded as more or less important, that we shall discriminate between them and say that one of those industries is more important than the other industry and deliberately proceed, through the exercise of the taxing power of the Government, to suppress the one to the encouragement of the other? Is it seriously proposed that we shall do that? If so, sir, it is monstrous.

Mr. FRELINGHUYSEN. Oh, no, Mr. President; that is not what I said. I said I believed the foreign vegetable-oil industry menaced the dairy industry of the country and would destroy it, and that we should protect our own farmers against it.

Mr. SIMMONS. In my part of the country the farmer raises cotton, and cotton seed that is most valuable as a staple. Why would the Senator feel that he was justified in handicapping that product to protect the industry that merges from the dairy in the northern, eastern, and western sections of the country?

Mr. FRELINGHUYSEN. Cottonseed oil is a product of this country. It does not need protection, although we have given it protection.

Mr. SIMMONS. Why did the Senator give it protection, then?

Mr. FRELINGHUYSEN. My answer to the Senator was in relation to vegetable oil produced in foreign countries and not produced here. If I believe that, if those oils menaced the dairy farmers of this country, we would be perfectly justified in placing a high duty upon them to protect the dairy farmers.

Mr. SIMMONS. They are the raw materials of the oil producers of the country, and I do not distinguish the difference. The factories can not run if there is not sufficient raw material to be had to supply them. The argument of the Senator is that if an industry has to import its raw materials it is not entitled to the same protection as the industry in this country that does not have to import its raw materials.

Mr. FRELINGHUYSEN. If the cottonseed oil industry was menaced by foreign competition, the Senator would be very anxious for protection, and I would be in favor of giving it.

Mr. SIMMONS. Mr. President—

Mr. FRELINGHUYSEN. I have not yet finished.

Mr. SIMMONS. Very well.

Mr. FRELINGHUYSEN. The vegetable oils which are imported into this country are not the character of oils which are produced here, nor are the vegetables from which they are produced grown here in sufficient quantity or quality to produce the oil. In the case of soya beans, for instance, the South Carolina Crushers Association testified that the soya beans in this country ripen too quickly; that they can not be produced of proper quality. So, in the case of peanut oil, the Senator from North Carolina knows that the peanuts of this country, and particularly of his section, are so marketable and are in such demand for edible purposes that the nonedible peanut oil that is used in soap making does not come in competition with his product.

Coconut oil is not produced here and comes in free. Therefore the question of a protective tariff on these oils is not a practical one. That is the question I am arguing, although where the foreign oil may be used as an adulterant or a substitute for an article produced here, such as a natural farm product, and competes with the domestic commodity, then I believe that it is perfectly practicable to impose a tariff duty upon it. That is what the bill and this amendment provide.

Mr. SIMMONS. Mr. President, we have in the United States great industries which are engaged in the manufacture of vegetable oils. They use various seeds, such as cotton seed, peanuts, soya beans, and a number of other commodities which it is not necessary to mention. They import a small quantity of those products for the purpose of crushing; they import a small portion of the oil for the purpose of refining it, in order that they may have a sufficient output to satisfy the demand. If I understand the Senator from New Jersey, he says that if any part of the raw material of these oil crushers is imported

from abroad, he feels it is perfectly justifiable to place a high duty upon that part of their raw material, not for their benefit, not for the benefit of the labor which is engaged in the industry, but for the purpose of preventing those oils from coming in competition with the dairy products of this country. That is all I wanted to get from the Senator in a clear unequivocal form, and I have it now.

Mr. FRELINGHUYSEN. Mr. President, I want to show the effect of a restriction of the European market on these products.

In Europe our surplus of hog lard, cottonseed oil, corn oil, peanut oil, oleo oil, oleo stearine, vegetable lard, and other edible fats must sell in competition with coconut oil, peanut oil, soya-bean oil, and cottonseed oil from Oriental countries. We can not possibly enact legislation here which will shut out of Europe cottonseed oil, peanut oil, coconut oil, and soya-bean oil from the Orient.

We can not avoid the competition of those foreign oils, and so the question is entirely how we shall meet the competition which we can not avoid meeting. Our farmers have been exporting a great surplus of oils and fats for the past 50 years, and it would be absurd to say that it has not been profitable for us to enter the competitive markets of the world, otherwise we would not have produced a great surplus and we would not have continued to compete in the open markets of the world for the past 50 years.

The American farmers' market for oils and fats for edible purposes is at home and in foreign countries. The American farmer is not producing these oils and fats for industrial purposes, as can be readily seen by taking a typical year, such as the year 1920. During that year our farmers produced 1,730,000 tons of high grade edible fats, such as hog lard, edible tallow, neutral lard, oleo stearine, cottonseed oil, vegetable lard, oleo oil, corn oil, and peanut oil. Of this 1,730,000 tons the American farmer exported approximately 500,000 tons of the same interchangeable oils and fats.

There is no intentional production of oils and fats of this group in the United States for industrial uses, with the exception of fish oils; and the only available oils and fats for our industries, such as those engaged in manufacturing soap, rubber substitutes, printing inks, leather dressings, imitation leather, and many other products are the refuse fats which unavoidably result from the production of the prime oils and fats. The only domestic supply of industrial fats which our industries have available as raw material is the inedible tallow and greases which are produced from butcher-shop scraps, and by garbage-reduction plants and packing houses. The whole process of producing oils and fats in the United States, both vegetable and animal, is designed to obtain the greatest quantity possible in edible form and to reduce to the greatest extent possible the output in inedible form.

During the typical year 1920 there was produced in the United States only 335,000 tons of industrial grades of oils and fats, and hence our industries must have access to foreign supplies. All of the coconut oil, soya-bean oil, peanut oil, and cottonseed oil imported by our industries is obviously taken away from the nations of Europe, and thereby the competition with our own exportable surplus is greatly reduced in the European markets; at the same time American industries are able to obtain their necessary basic materials and compete with the industries of Europe for export business in their finished products.

The Tariff Commission's report as to the operation of the emergency tariff rates shows conclusively that duties on foreign vegetable oils are inoperative so far as protection is concerned, and are only an obstacle to American industries.

Mr. SIMMONS. Mr. President,—

Mr. FRELINGHUYSEN. I yield.

Mr. SIMMONS. I am heartily in sympathy with the argument which the Senator is now making, and, if it would not interrupt him unduly, I should like right here, for the purpose of fortifying his argument, to make a brief general statement, based upon the proposition laid down by the Senator a moment ago that we could not compete in the purchase of these raw materials in foreign markets with the high rates proposed to be imposed by the pending bill. With the kind permission of the Senator, I wish to say,—

Mr. FRELINGHUYSEN. I am very glad to yield to the Senator, but I do not want to yield the floor. I will suspend for a moment, if the Senator wishes to interrupt me, if I do not yield the floor.

Mr. SIMMONS. I merely wish to reinforce the argument which the Senator, as I understood him, was making.

Mr. FRELINGHUYSEN. I will be very glad to have the Senator make the statement, with the understanding that I do not surrender the floor.

Mr. SIMMONS. Mr. President, I have had occasion to investigate this question, because it affects very vitally large interests in my section of the country as well as the country as a whole. I find it to be true that cottonseed oil is the dominant oil; it dominates the price of oils; the price of all the oils follows the price of cottonseed oil. It not only dominates and fixes the price of the other oils of similar kind and character but it fixes the price of the raw materials in this country out of which those oils are produced.

The Senator from New Jersey is absolutely correct when he says that, on account of the large percentage of our domestic production which is annually exported, the product is upon an international price basis; that is to say, the price of cottonseed oil in this country is fixed by the price in Europe, where our exportable surplus is almost entirely disposed of, and as the cottonseed-oil industry dominates the oil trade the prices of other oils follow the price of that particular oil, and so all the other vegetable oils produced in this country are upon a world price basis. We do not fix the price of a single one of our oils in the domestic market, but the price is fixed for us chiefly in London, which is the great international market for those oils and fats.

Mr. President, the source of the raw materials out of which our vegetable oils are made is almost exclusively in America and the Orient—chiefly in this country, but partly in the Orient. The raw materials out of which Europe produces her oils come almost entirely from the Orient. Europe does not import to any considerable extent her raw materials from the United States.

I think the Senator from New Jersey will agree to the proposition that there are probably in Japan and in China and India, where these raw materials are produced, but two purchasers. One of those purchasers, but not the largest, is the United States and the other is Europe, but chiefly Great Britain. They are the only competitors in these great markets for these essential products used in the industries of the two continents.

It is claimed, and I think it is manifestly true—and I ask the attention of the Senator from New Jersey to this statement—that with the high duties upon nuts, peanuts, and beans imposed in this bill and in the emergency tariff it has been found practically impossible for the American purchaser of these raw materials in the Orient to compete with the European purchaser. How can he compete when, after he has paid the price per pound, he must add 3 or 4 cents to that price in order to get his raw material into his American mill, while his English competitor gets his into England without having that burden laid upon him?

That is clearly the effect upon this competition between these two sole purchasers and competitors in the markets of the Orient. American buyers and manufacturers have been driven out. We have left Great Britain in the sole and undisputed control of that source of supply, practically the only purchaser of this exportable raw material raised in the Orient. Of course, it is obvious that Great Britain, therefore, can choose what price she will pay. The price becomes a buyer's price and not a seller's price.

In those circumstances is it not perfectly evident that if Great Britain can get her raw material for a materially lower price than under present conditions the price of the manufactured product in Great Britain will be affected and reduced practically to the amount saved in the purchase of the raw material by reason of the elimination of her chief competitor?

The Senator says that the price of our oils and our fats, of which we are a tremendous exporter, will be fixed by the prices of oils in the European market, and we find as the result of forcing the American purchaser out of the Orient that the European price will, as a matter of certainty, be greatly reduced.

Mr. GOODING. Mr. President,—

Mr. SIMMONS. I do not yield now. I want to ask the Senator if it is not perfectly clear that if that takes place the price of our domestic oils will be to that extent reduced, instead of, as it is contended and claimed, increased as the result of these high duties? In other words, indirectly—not directly—these high duties operate not to increase the price of these American oils, which are upon a world basis of price, but to decrease the price of these oils in the American market?

Mr. FRELINGHUYSEN. Mr. President, that is my contention, and I claim—

Mr. GOODING. Mr. President, will the Senator yield to me while I ask just one question? I do not care to take up any time, but I simply want to ask the Senator—

Mr. FRELINGHUYSEN. Mr. President, I have the floor, and I am addressing the Chair.



The PRESIDING OFFICER. The Senator from New Jersey has the floor. Does the Senator yield?

Mr. FRELINGHUYSEN. I am perfectly willing that this question should be asked, but I wish to resume and complete my speech. If the Senator will confine himself to a statement of a few minutes, I shall be very glad to yield.

Mr. GOODING. I just want to ask one question, and that is this: I want to ask the Senator from North Carolina, who had charge of the Underwood-Simmons bill when it was in the Senate, if it is not true that the Underwood-Simmons bill provides for reexport by bonding, so that where any foreign product is brought in here and manufactured and reexported, 99 per cent of the duty is remitted?

Mr. SIMMONS. Mr. President, I am not able to say whether we had a provision of that character with respect to this product or not, but I think there was one.

Mr. GOODING. Yes; I think there was. That is my understanding—that it was a general provision in all of our tariff bills.

Mr. SIMMONS. I think that was true, and I think there is a provision in this bill for that purpose where these products are used for other than edible purposes.

Mr. GOODING. That is my understanding.

Mr. SIMMONS. And I am in favor of it.

Mr. FRELINGHUYSEN. That is the proposition.

Mr. President, when it became apparent that the committee intended to place a duty on these vegetable oils not made here that go into edible products, I took the position that to compel the industries that use 90 per cent of all of the vegetable oils imported to pay this additional duty on these materials that they utilize in soap manufacturing was unjust and unfair, and a tax.

In derision yesterday the soap manufacturer was condemned because he asked relief from this tariff, and it was pointed out that the soap manufacturer was enjoying high rates of duty, and therefore it was said that the farmer was entitled to have this remote protection placed on these vegetable oils not made here because the soap manufacturer was getting protection.

The soap manufacturer is getting 5 per cent ad valorem protection on the cheaper grades of soap, and he does not need it and he does not care for it and he has not asked for it. It is a revenue duty pure and simple. On the high grades of perfumed soap, which form a very small percentage of the product, we do impose high duties because they are luxuries. As far as the soap manufacturer is concerned, he has a clean bill of health on the question of any selfishness regarding this tariff, except a protest against the injustice of it, and he has just as much right to come here and have his rights defended as the farmer of the West.

What is the soap industry of this country? It is not in my State alone. It is in over 25 States of the Union, and there are 348 separate establishments. The capital invested is \$212,416,866; salaries and wages paid each year, \$35,399,914; number of wage earners, 20,290, and the value of their product each year is \$316,740,115.

When you come to the question of paint—and some of these oils are utilized there—there are 601 manufacturers, with \$177,314,815 invested.

Mr. POMERENE. Mr. President, will the Senator permit me to read just a sentence in view of what he has just said with regard to the tariff duty on manufactured soap?

Mr. FRELINGHUYSEN. Yes; I yield.

Mr. POMERENE. Mr. S. W. Eckman, of the B. T. Babbitt Co., of New York City, appearing before the committee—and I read from page 1272—says:

We are not here pleading for any protection on our raw materials or finished product. We are able to look out for ourselves in that respect.

I know that some of the Ohio soap makers said that while this protection was here, they did not care for it.

Mr. FRELINGHUYSEN. The Senator is right, and I thank him for his contribution. I simply want to show that when it was attempted on this floor yesterday to accuse the soap manufacturer of being selfish in this thing, and asking for a high rate of duty himself while he asked to be relieved from this imposition on vegetable oils, that was not so; that he is not selfishly asking for a duty.

The manufacturers of oilcloth and linoleum use some of these oils. The capital invested there is \$49,803,688 and the salaries and wages are \$8,297,546. The number of wage earners is 5,414 and the value of the products is \$52,673,206.

In other words, on these products, not manufactured in this country, heretofore on the free list, industries with nearly \$500,000,000 of capitalization, paying \$80,000,000 in wages, and employing over 50,000 employees, scattered in every State of the Union, are asked to pay a duty amounting to millions of dollars.

I claim that that is an injustice, that it fosters no American industry, and, furthermore, that it injures the farmer more than it helps him, because the absorption of those vegetable oils creates a vacuum in Europe which is filled by our American products. Good business demands that we admit these oils free under the bonding provision and remit the duty and take the burden off of these industries, so unnecessarily placed upon them by reason of the amendment of the Senator from Idaho [Mr. Gooding], asking that this provision be stricken out of the bill. It will seriously injure the oil-crushing industry of this country. It will seriously affect the southern farmer. It will seriously affect the western farmer in the outlet for his hog lard. I claim that it is unwise and unbusinesslike to do something simply because remotely it is hoped that some day we may crush a few soya beans.

I am a business man. I am a protectionist. I am for a tariff that will encourage and build up any industry; but the committee was not shown, and I do not think any of its members were convinced, that it was necessary, simply from caprice or prejudice, or whatever it may be, to put duties of 3 cents and 4 cents on these oils and make these industries pay them. It will not help the farmer. It will hurt the farmer, and it will seriously injure these great industries of our country, and more seriously injure the workingmen who work in them.

I am opposed to this amendment being stricken out. It is a safeguard against an unjust tax, and I hope the Senate will vote to retain it.

Mr. GOODING. Mr. President, I hope the time will come in this country when the farmer will be able to speak for himself and when he will be listened to. There is not a farm organization in America that is not asking that this proviso, which permits the vegetable oils to come in free when used in soap, be defeated. There is no exception to that. The dairy associations, although they are protected in vegetable oils which are used for edible purposes, are more alarmed than any other organization in the country I know of, because they do not believe that they will have proper protection if these oils, which are used for edible purposes and soap purposes, may come in free of duty when used for making soap.

It is my hope as a protectionist that when we get through with this tariff bill we will be able to defend every provision in it. This is a provision that no man who believes in protection can defend, because it gives a great industry in this country a preferred place in this bill. It gives them free raw materials, while the manufacturer of oleomargarine and of lard substitutes must pay a duty of from 3 to 4 cents on vegetable oils.

I can not understand why the farmer who produces the vegetable oils in this country is not just as much entitled to protection when he goes into the making of soap as he is when he goes into the making of oleomargarine. I can not see that distinction at all, and when they talk about backing up the fats of this country or interfering in any way with our export trade, when it is admitted that in all tariff bills there has been a provision by which any commodities may come into this country and be reexported and 99 per cent of the duty refunded, that argument is not worth answering or important enough to warrant taking up the time of an intelligent body of men.

The Senator from New Jersey in his argument admits that our exports of oleomargarine and oil fats which go into edible uses are even greater than those of the products which go into the soap making of this country. Tell me why the soap maker of this country is entitled to any special privileges, why he shall get soya beans, cottonseed oil, coconut oil, or anything else free of duty, while the oleomargarine manufacturer pays a duty?

On all perfumed soaps the soap maker gets 50 per cent ad valorem, and those soaps are made out of coconut oil, soya-bean oil, cottonseed oil, and peanut oil that will come in free of duty unless my amendment prevails. Laundry soaps, which bear a duty of only 5 per cent, are made out of tannage, largely from the slaughterhouses, and the garbage gathered in your great cities.

The duty can not interfere, in my judgment, with the price of laundry soap. I do not think it will make any difference at all in the price of soap, because, in my judgment, if we have one great combination, one great trust in America, it is the soap makers, and they have grown rich, fabulously rich, until they count their millions by the hundreds.

Mr. FRELINGHUYSEN. Mr. President, in the interest of accuracy I want to interrupt the Senator. He stated that the soap maker had a high rate of duty on certain classes of soaps.

Mr. GOODING. Yes; and I stated that that soap was made out of coconut oil, soya-bean oil, and cottonseed oil that the soap maker receives free of duty if the committee amendment prevails.

Mr. FRELINGHUYSEN. We admit that.

Mr. GOODING. And peanut oil, which you would have come in free for the soap makers. That is my statement.

Mr. FRELINGHUYSEN. I think there is a complete answer in the fact that not over 1 per cent of the entire production of soap in this country is of this high-grade perfumed soap; that 95 per cent is the cheaper soap, upon which they need and ask no duty, which they are willing to have free. The other 4 per cent are medicinal soaps. Therefore the duty imposed upon these soaps of which the Senator speaks is almost negligible—in fact, is negligible—and so his argument does not apply.

Mr. GOODING. I do not agree with the Senator from New Jersey at all. I think we pay fabulous sums for perfumed toilet soaps and for shaving soaps in this country, the raw material of which the soap people are to have come in free if this committee amendment prevails. Why shall they have free raw material, when upon the same farm, and through the same crusher, goes the same oil which goes into edible uses, and which bears a duty of 3 or 4 cents a pound? The soap maker is put in a preferred class. I do not think that is the intention of the committee at all, but that is the result of the working of this bill if the committee amendment prevails. I can not believe it is going to prevail.

In 1917 there were 168,000,000 pounds of coconut oil consumed in the soap industry, as compared with 126,000,000 pounds of cottonseed oil and 124,000,000 pounds of soya-bean oil. I have not the amount of the peanut oil that goes into soap, but it is considerable. Fifteen million nine hundred and ninety-seven thousand pounds of corn oil went into the making of soap in that year.

I do not agree with the Senator that the soya-bean industry is not going to be a great industry. I placed in the RECORD yesterday a statement to the effect that last year's crop was something like 3,000,000 bushels for seed. Again I want to say, Mr. President, if there is anything this country needs in all the world, it is some crop that will bring back the fertility of the soil. All of our prosperity in this country must be measured by the fertility of the soil, and the history of civilization shows that when soil goes backward civilization goes backward with it, and it is even true on an individual farm. Show me a farm where there is a struggle to keep the wolf from the door, and where it is hard for them to provide the necessities of life, and I will show you where even civilization, if you please, is going backward. Any citizen is a better citizen in this or any other country when he does not have to struggle too hard for a living. He is in a better frame of mind toward the whole world.

Mr. WILLIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Ohio?

Mr. GOODING. I yield.

Mr. WILLIS. I am very much interested in what the Senator is so eloquently saying relative to the maintenance of the fertility of the soil, and I want to ask him a question, for information entirely. In the State of Ohio up to this time the soya bean has been raised either as a forage crop or as a means of increasing the fertility of the soil by plowing it under. I am wondering whether, if the use of the crop is changed and soya beans are allowed to come to maturity and are harvested and pressed into oil, the crop so handled acts as a means of increasing the fertility of the soil.

Mr. GOODING. There is no question about that. It is through the roots of the plant that the nitrogen finds its way into the soil and increases its fertility. Soya beans belong among the leguminous plants, such as peas, which improve soil fertility. Yesterday I put an article in the RECORD which, if the Senator will read, he will find covers that very fully. It also tells the story of improved machinery for cultivating and harvesting, and the trouble they found, evidently, in North Carolina, where they had not used this improved machinery in the shelling of beans, has already been obviated. I was never more convinced of anything in my life than that the soya-bean industry is going to prove a great industry, because it must be used to bring back the fertility of the soil. It has been used in the State of Iowa for a number of years with corn, used both for cutting for hay for forage and for hogging down. But they are now beginning to grow soya beans for seed and for crushing into oil. If we can have proper protection, there is no question at all about the success of the industry.

I do not care to take up the time of the Senate. This case seems to be so clear that I do not anticipate that anything I might say would have any influence. But I am unable to understand why a preference should be given to anybody in the framing of this tariff bill, and I can not see it in any other light than that the soap makers are given a preference. I do not see why they should have their raw material free.

The soap manufacturers have always been protected, and why they should have a duty of 50 per cent on their finished product and have their raw materials free I am unable to understand.

I know the committee has labored hard with this, and I appreciate the great work they have done in preparing this bill, but I can not agree with the committee in this matter, and I sincerely hope that in the interest of the great principle of protection, which has made this country what it is to-day, there will be no schedule in this bill which can not be defended. I have not forgotten what Schedule K in the Payne-Aldrich bill did to the Republican Party.

I send to the desk a communication addressed to the Members of the Senate and the House of Representatives by the Texas Cottonseed Crushers' Association and the Oklahoma Cottonseed Crushers' Association. I would like to have it read and appear in the RECORD in 8-point type.

The PRESIDING OFFICER. Without objection, it is so ordered, and the Secretary will read the communication.

The reading clerk read as follows:

#### TARIFF ON VEGETABLE OILS.

To all Members of the United States Senate and House of Representatives, Washington, D. C.:

We address this communication as representatives of the Texas Cottonseed Crushers' Association, Oklahoma Cottonseed Crushers' Association, and various independent crude cottonseed-oil mills of other States in the South who are for a tariff on vegetable oils that will protect the crude cottonseed-oil industry and the southern cotton farmer and peanut grower.

We are here to reinforce the demands of the producers for a protective tariff on vegetable oil; to take issue with the claims of the Interstate Cottonseed Crushers' Association that the crushers want free trade; to present the interchangeabilities of these oils in their process of distribution; to point out the reasons why the Senate Finance Committee report as written affords no protection whatever to the producer of all fats in this country, and suggest a remedy.

The permanent bill as reported by the Senate Finance Committee has granted sufficient rates to properly protect the crude cottonseed-oil industry and the farmers of the South, as well as the dairy farmers and hog producers, and all others engaged in the production of fats, namely, 4 cents per pound on coconut oil, 4 cents per pound on peanut oil, 3 cents per pound on soya-bean oil, and 3 cents per pound on cottonseed oil. However, the drawback provision in the schedule providing that all oils used in the manufacture of soap and for other inedible purposes, duty paid, will be refunded if the oil is used for these inedible purposes. There is also no duty on dried copra, made from coconuts. These two provisions combined, in our opinion, invalidate the whole bill, and as far as a protective measure is concerned it would be useless.

In the case of imported copra, the supply of which is practically unlimited as far as any possible demand is concerned, we will have to absorb not only the oil produced from it, it being crushed in American mills, but will likewise have the cake and meal that will be produced from it in competition with American feedstuffs.

#### DUTY URGED ON FOREIGN VEGETABLE OIL, CAKE, OR MEAL.

We urge a duty of one-half cent per pound on soya-bean, copra, cottonseed, and peanut cake as a protection against importation of these materials into this country. We urge this especially in view of the fact that one of the leading manufacturers of soap has circularized the mixed-feed industry urging their support for free importation of dried copra, on the theory that the cake produced in its manufacture here would tend to lower the prices of other concentrated vegetable oil cakes.

Total domestic production of cottonseed oil for seven years—1914 to 1920, inclusive—shows a production of 9,857,146,000 pounds and 915,208,000 pounds of peanut oil, or a total of these two domestic oils of 10,772,354,000 pounds, or an average annual production of the two oils of 1,538,907,714 pounds.

Our imports for that same seven years were—

	Pounds.
Cottonseed oil .....	113, 752, 000
Soya-bean oil .....	1, 086, 226, 000
Peanut oil .....	374, 345, 000
Coconut oil .....	1, 201, 015, 000
Crushed in American mills from imported copra .....	915, 068, 000

or a total import for the seven years of 3,690,406,000 pounds, or an average annual import of all vegetable oils for that seven years of 527,201,000 pounds.

Exports for the same seven years were—

	Pounds.
Cottonseed oil (14 per cent production) .....	1, 379, 045, 000
Soya-bean oil .....	98, 985, 000
Peanut oil .....	6, 513, 000
Coconut oil .....	159, 640, 000



or total exports for seven years of 1,644,183,000 pounds, or an average annual export of 234,833,000 pounds of all vegetable oils, against imports for that same seven years of 3,090,406,000 pounds, or an average annual import of 527,201,000 pounds, or an annual excess of imports above exports of 292,317,000 pounds.

We do not have the complete figures on the distribution and usage of these various vegetable oils in different articles in which they are used in this country, except for the years 1912, 1914, 1916, and 1917. These figures show there were used in the soap industry for the years 1912, 1914, 1916, and 1917, 1,536,637,000 pounds, or an annual average consumption of 384,159,000 pounds. It also shows that for these same four years a total of 572,872,000 pounds of cottonseed oil was used in the manufacture of soap, or an average annual consumption of 143,218,000 pounds, so if these various oriental oils are to be free of duty when used for soap, it would necessarily eliminate the demand for cottonseed oil for that purpose, and inasmuch as a net consumption of all vegetable oils used in the manufacture of soap is greater than the net importable surplus of all vegetable oils, if permitted to come in free for that purpose, it would necessarily invalidate the protective feature of the schedule.

#### THE ORGANIZATION OF THE COTTONSEED-OIL INDUSTRY.

We are safe in saying that not less than 65 per cent and very probably as much as 85 per cent of all vegetable oils produced in this country and imported into this country are distributed through what are known as the four large refiners and compound manufacturers and the five large Chicago packers. These concerns are also owners of a large number of crude cottonseed-oil mills, and are very active competitors with what is known as the independent crude cottonseed-oil industry in the purchase of cotton seed, and it is a fact that the competition is exceedingly extreme. We believe that a proper protective tariff will assist in preventing a further concentration of the industry. The four large refiners are not to be criticized in their demand for free importations of these various vegetable oils. They are only exercising what is now generally recognized as common to all interests everywhere, the right to conserve and foster their own interests, and as these interests are engaged in importing, exporting, and the conversion of these various vegetable oils into the finished products and distributing the larger portion of them, their best interests, in our opinion, do not lie in a protective tariff, but rather in world trade. The soap manufacturers likewise are in this same position, and they are not to be criticized for looking after their own interests.

The crude cottonseed-oil industry, or rather the independent crude cottonseed-oil mills, in the extreme competition with these large interests, are at this time in rather a demoralized and bad financial condition. So much is this true that it is also attended by a bad psychology, and this is one reason why there has been the apparent indifference on the part of so many independent crude cottonseed-oil mills toward the whole question of tariff.

#### THE INTERSTATE COTTONSEED CRUSHERS' ASSOCIATION MEETING AT NEW ORLEANS ON JANUARY 4, 1922.

The Interstate Cottonseed Crushers' Association at a called meeting at New Orleans on January 4, through proxies largely held and voted by these four large refiners, committed that association to the policy of free trade, as the following analysis of that vote will indicate. There were counted, all told, 253 votes. Of these 253 votes, 164 were voted by these large interests. The convention became tired and would not wait for the whole vote to be tabulated, and the votes from North Carolina, South Carolina, Georgia, Mississippi, and Louisiana were not counted, but there were more dealers, brokers, and other people associated in the business and in no manner connected with the ownership or management of the cotton mills than there were cotton-oil mills represented over and above those owned by the larger companies. Of the independent crude-oil mills voting, Texas and Oklahoma voted 58 votes in favor of the tariff. Those voting against the tariff there were 37 independent crude-oil mills, 82 brokers and dealers, 5 refiners, and 68 mills belonging to these larger companies. However, there were only 5 votes against the tariff from Texas and none from Oklahoma. We are safe in saying that not over 40 per cent of all independent crude-oil mills belong to the interstate association, and therefore were in no manner represented in that vote. There were also three Japanese firms who voted against the tariff. Therefore we are justified in saying that the New Orleans meeting did not represent the attitude of the independent crude cottonseed-oil industry on the tariff question, and we feel that it is unfair to that portion of the industry to be advertised and understood to be fostering an idea that is against the interests of the great American farmer everywhere.

These large refining interests made some very clever arguments at the meeting, the central thought of which was that a tariff on vegetable oils would not protect. Briefly, that soya-bean and coconut oil, two principal oriental oils that are imported into this country, were used as an edible very extensively in Europe, principally in margarine, but in the United States this oil is of such quality that it would not meet the American standards and could not be used as an edible; also that the industry in Europe is dominated by three concerns, and by reason of our emergency tariff our importers and exporters could not compete in the oriental market, leaving a virtual monopoly of these three European companies, and therefore such a low price when imported into Europe was at such a low level that practically excluded us entirely from the European market in our own vegetable oils and greatly curtailed the market for our hog lard. One of the principal arguments being made for free vegetable oils by these interests is a comparison of our exports of cottonseed oil since January 1, this year, as compared with the volume exported during that same period of 1921, and without any analysis as to the price of cottonseed oil in 1921 and to-day. In March, 1921, cottonseed oil sold for 3½ cents per pound, crude, f. o. b. oil mills. To-day it is worth 10½ cents per pound. At that time cottonseed oil was the cheapest vegetable fat in the world as a result of conditions that then existed. It was cheaper than soya-bean, coconut, or any other vegetable oil, so when Europe bought it it was buying the cheapest vegetable fat to be found in the world.

#### EMERGENCY TARIFF.

The emergency tariff bill was passed in May of last year, and very quickly after that cottonseed oil began to advance, and while it sold at 3½ cents per pound in March, it sold as high as 7½ cents in July and 8 cents in August. Cottonseed oil has been relatively higher during the whole year than any other animal or vegetable fat. This is in part due, of course, to the small cotton crop, but in a large part to the emergency tariff. To-day it is selling at about 2½ cents higher than coconut oil, duty unpaid; 3 cents per pound higher than soya-bean oil, duty unpaid; and there have been times when coconut oil sold 2 cents per pound higher than cottonseed oil and cottonseed oil at the same price as soya-bean oil. We are fully persuaded that but for the emergency tariff, by reason of interchangeability, one vegetable oil for another, that cottonseed oil would be selling at least 2½ cents per pound cheaper than it is at this time, and we are sure that it has protected the southern farmer and given him an additional price for his seed equivalent to the duty on these oriental vegetable oils, in round figures \$8 per ton on his cotton seed and \$18 per ton on his peanuts, and on the cottonseed crop alone in aggregate of \$25,000,000.

Interchangeability: Notwithstanding the contentions that were made by the refining interests at New Orleans that soya-bean oil and coconut oil could not be successfully used as an edible oil in the United States, the information we have and the amounts of these oils heretofore used in the manufacture of edible products in this country would tend to refute this statement as follows:

[From United States Department of Agriculture Bulletin No. 709; later figures not available.]

	Pounds.
1914. Soya-bean oil used in lard substitute.....	1,585,000
1916. Soya-bean oil used in lard substitute.....	14,247,000
1917. Soya-bean oil used in lard substitute.....	34,351,000
1918. Soya-bean oil used in lard substitute.....	56,517,000

The consumption of soya-bean oil for 1918 for lard substitutes is equivalent to over 900 tank cars of oil, or nearly one-third of the entire production of cottonseed oil for Texas this past season. Furthermore, United States Department of Agriculture Bulletin No. 439 states:

As the process of refining soya-bean oil is improved and perfected there seems to be scarcely any use in which oil has a part in the manufacture of foodstuffs to which it will not be an important adjunct.

#### PRESENT STATUS OF INDEPENDENT CRUDE COTTONSEED-OIL INDUSTRY.

The Texas Cottonseed Crushers' Association went on record at its annual meeting last year in favor of a tariff on vegetable oils and the substances from which they are made. At a called meeting of that association, on the 28th of December last, the following resolution was unanimously adopted:

Moved that we again confirm the resolution as passed by our last annual meeting held at Galveston—that is, we especially indorse the action of the Southern Tariff Congress demanding that cottonseed and competing oils be included in the permanent tariff bill now before Congress, and we urgently request all Texas Congressmen to sign this petition and lend their full cooperation to the Southern Tariff Association. The resolution was adopted unanimously.

All except two members of the Oklahoma Cottonseed Crushers' Association are in favor of a tariff on vegetable oils. Many crude oil millmen who were for a tariff before the New

Orleans meeting, who were misled by the arguments made at that meeting, have changed back to their original faith in all parts of the South and are now demanding a tariff on vegetable oils that will protect.

#### IN THE INTERESTS OF AGRICULTURE.

We hold no brief for the American farmer. Through various farm organizations in the South, dairy interests of the North, and the live-stock producing sections of the West, the farmer is demanding protection and especially against cheap oriental vegetable oils produced by Chinese and South Sea Island labor, 10 cents to 15 cents per day.

Our interest in a tariff is secondary to that of the farmer, as it is immaterial to us what we pay for cotton seed or peanuts provided the products can be sold at such a price as will permit us a reasonable profit. We are, however, interested in a price being maintained that will induce the farmer to market his production of cotton seed and peanuts, as during the business collapse in the fall of 1920 and the early part of 1921 cotton seed was so low in price that 20 per cent of the available supply for that year was not sold to the crushing mills, and therefore was never crushed, and to the extent of 1,000,000 tons. We are further interested in the price of the products being sufficiently high to encourage the farmer in increasing the production of both cotton seed and peanuts.

We believe that our interests and those of the farmer are identical and we do not apologize for demanding protection to his interests as well as our own. It would also seem that all men who have the interest of their country at heart would appreciate that the farmer must be protected in order to be prosperous, and is entitled to receive all that can be granted. With a prostrated agriculture we will have an impoverished Nation.

#### NECESSITY FOR PROTECTION.

The unusual conditions that surround the independent crude cottonseed oil industry are such that unless suitable protection is granted against oriental vegetable oils and their substances, the industry can not survive in open competition with the larger interests in the business who are also engaged in the importing and exporting of these various vegetable oils and in the distribution of the finished product, including manufacture of these various commodities, for the reason that their largest profits are made in the merchandising end of their business.

#### TARIFF WANTED.

The duties prescribed in the Senate Finance Committee bill of 4 cents per pound on coconut and peanut oil, and 3 cents per pound on cottonseed and soya-bean oil are sufficient, provided the drawback provision is eliminated, refunding the duty when it is shown it has been used in the manufacture of soap or for other inedible purposes. We also urge a duty of 2 cents per pound on copra, being the same relative ratio as far as its oil content is concerned, as 4 cents per pound on coconut oil.

Inconsistency of various fat schedules: Notwithstanding the demands of soap manufacturers and other interests for free vegetable oils and raw materials and the fact that the Senate Finance Committee schedule on vegetable oil, which provides for these different oils to come in free of duty when used for soap and other nonedible purposes, all of which invalidates the whole schedule as a protective measure in the interest of the producer of the Nation.

Nevertheless laundry soaps carry a duty of 5 per cent and toilet soaps a duty of as high as 50 per cent ad valorem, and notwithstanding that the effects to all intents and purposes of this schedule as now written invalidates the whole as a protective measure which will provide for manufacturers of oleomargarine a free raw material, a duty of 8 cents per pound is given to the oleomargarine manufacturer, the principal ingredient of which is coconut oil.

And notwithstanding that the lard substitutes manufacturers are demanding free importation of oriental vegetable oils and the substances from which it is made, which, in fact, they do receive, if the Senate finance schedule as now written is enacted into law, nevertheless a tariff is given them as protection against foreign manufacturers of lard substitutes and to the extent of 5 cents per pound.

We do not complain at these various interests receiving protection, but we demand for the American producers of competitive fats and oils protection against destructive foreign competition.

#### CONCLUSION.

We believe the interests of the cotton farmer, peanut grower, dairying farmer, and the hog grower, and the independent crude cottonseed-oil industry are on one side of this question demanding suitable tariff protection, and on the other side are the im-

porters, exporters, soap manufacturers, and distributors of all the products of vegetable oil, and those who want to engage in world trade even though it be at the expense of the great producing element of this Nation.

Respectfully submitted,

J. S. LeCLERCQ,

Ed. WOODALL,

B. W. COUCH,

Special Tariff Committee,

Texas Cottonseed Crushers' Association.

By A. S. ROBERTS,

Special Tariff Committee,

Oklahoma Cottonseed Crushers' Association.

Mr. WADSWORTH. Mr. President, for the first time in this debate, which has now proceeded for many, many weeks, I make bold to address the Senate on the question of a tariff rate. I do so at this point because my interest in the agricultural schedule generally is very deep. I have believed for a long time, Mr. President, that the producer of the agricultural commodities of this country should enjoy a reasonable measure of protection. I have thought for some time that it was somewhat unfair, and in some instances exceedingly unfair, that the farmer should have to make all his purchases in a protected market and sell his products in a free market. I may confess also, Mr. President, with due humility, that I am especially interested in the rates on agricultural products, because agriculture is my business. I say with "due humility" because in spite of that fact I am not a member of the so-called "agricultural bloc." I have supported to date all the proposals made by the Finance Committee in the matter of rates upon agricultural products, and I expect, unless some new and unexpected arguments reach my mind, to continue to support the committee in the proposals which it has made and which have not yet been acted upon.

My interest in this particular provision, paragraph 50a, on page 22, and my special interest in the live-stock industry—I will not say my knowledge of that industry, for I realize that a little knowledge is a dangerous thing—prompt me more than ever to support the committee in the proposal which it has made, for I believe the proposal made by the committee is in the interest of the agricultural population of this country and its better interest as contrasted with the proposal made by the Senator from Idaho [Mr. GOODING].

I think very few people in the United States except those who are engaged in the live-stock business, or perhaps in the cotton-raising business, realize the astounding position in the trade of the world enjoyed by American fats and oils. We are by far the greatest producers of high-grade fats and oils. Nature has so endowed this continent, has so equipped the United States with resources of an agricultural nature that it has not yet become necessary, and I hope it will not become very necessary, for the American farmer to devote much of his attention to the production of low-grade inedible fat and oil products. The overwhelming proportion of our efforts, agriculturally speaking, is devoted to the production of fats and oils, which lead the world in quality, which are known all over the world, and command their market with the very best.

Mr. KING. Will the Senator from New York yield to me?

Mr. WADSWORTH. I will.

Mr. KING. I should be very glad if we could have a larger attendance present.

Mr. WADSWORTH. I do not think it is necessary to call a quorum. I am quite sure it would be dissipated within two or three minutes after it had appeared.

Mr. GOODING. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Idaho?

Mr. WADSWORTH. I do.

Mr. GOODING. In view of what the Senator from New York has stated, is it not a very serious mistake to impose a duty on edible oils that come into the country?

Mr. WADSWORTH. I think not; certainly not if they are to be used for edible purposes in this country.

Mr. GOODING. As I understood the statement made by the Senator from New Jersey [Mr. FRELINGHUYSEN], our export trade in oils which are used in oleomargarine and lard substitutes is very much larger than our export trade in nonedible oils, such as are used in manufacturing soap and for other similar purposes.

Mr. WADSWORTH. I emphasized that a moment ago.

Mr. GOODING. So that if a duty on nonedible oils will interfere with our foreign trade, will not a duty on edible oils interfere with it in the same way?

Mr. WADSWORTH. With our foreign trade?

Mr. GOODING. Yes.



Mr. WADSWORTH. The duty on edible oils imported into the United States to be used for edible purposes will not interfere with our export trade; it will interfere with the domestic business of producing edible oils and fats, and I am opposed to that interference. What I want to defend, however, and preserve is the immense export business of the United States.

Mr. GOODING. Mr. President, I also wish to ask the Senator whether, in view of the provision in this bill which permits reexport, it is not idle to talk about a tariff on vegetable oils alone interfering with exports or reexports, because that provision applies to all industries and is used very generally in this country, and has been for a number of years? Why should it interfere with reexport of soap products and not with the reexport of oleomargarine and the products of other industries? If the Senator can explain the exceptions, I should like to hear him do so.

Mr. WADSWORTH. Mr. President, I was about to proceed to develop what little argument I am capable of making. I am not worried about the soap manufacturers; I am not rising here upon the floor of the Senate as their champion or defender. Their business is but an incident in the consideration of this question, although it may be a rather important incident; I have never figured out its relative importance. I am not rising here to defend the linoleum manufacturers or those who used inedible oils and fats in the production of manufactured articles to be sold to the people of the United States, and, if possible, exported to the other markets of the world. What concerns me most is the real object of the whole agricultural schedule, which is the protection of agriculture. If there is one element of agricultural production in the United States which is largely dependent for its prosperity upon its ability to sell abroad it is that element of agriculture which produces fats and oils, for, as the Senator from New Jersey has shown, nearly one-third of all the fats and oils produced in the United States by American farmers are exported and sold elsewhere. If that one-third were thrown back in any considerable degree upon the consuming public of the United States it would so depress the price of fats and oils as to injure the farmer, who is the original producer of those fats and oils.

We can not hope to consume the fats and oils which we produce, and yet we have every right to hope to feed a good part of the world with our surplus, and that we are doing, or, at least, that part of the world that can afford to pay the price for the best article upon the market. People are going to eat fats and oils; they are almost as necessary as salt, but, of course, they are used in infinitely larger quantities, and if people can not get the best, they will eat the second best; if they can not get the second best, they will eat the third best; and so on down the line. They must have them. Witness the desperate efforts of the German people during the latter years of the war to get fats. I undertake the prediction, Mr. President, that in most of the wars which may occur in the future the underlying, impelling instinct will be the acquisition of oils and fats, edible. The human race must have them, and it is that very fact which has lent such immense importance to the so-called oriental oils, some of which can be used, though not all of them, for edible purposes.

American fats and oils command the highest prices in the world. I want that export trade preserved. I know as well as I may know anything—which may not be saying much—that if by direct or indirect means we compel an increased supply of second and third rate fats and oils in Europe, we will, by the same token, decrease the consumption of American fats and oils in Europe. If we impose a duty of 3 or 4 cents a pound on these oils, which are used in the United States almost entirely for so-called industrial purposes, and thereby compel the producers of such oils and fats in the Orient to ship them to Europe and to other parts of the world where teeming populations exist and dump them upon the European and other markets, underselling American fats and oils raised upon our farms, which are the cleanest and whitest fats and oils in the world, I know that they will crowd out of those markets our own products. That is what I fear; that is what I have feared all along, and I think the Finance Committee has put its finger upon the essence of this problem, and has drawn this amendment in such a way as to obviate the danger which I am trying to point out, and at the same time protect the American farmer against the undue importation of foreign oils and fats which, after arriving in this country, may be converted into food products through adulteration or any other means.

What does this paragraph provide for? It starts out by putting a duty on coconut oil at 4 cents per pound. Let me say just a word about coconut oil. Where does it come from? Where does the great majority of the coconut oil imported into the

United States come from? Seventy-five per cent of it comes from the Philippine Islands, and every pound of it comes in free of duty under our agreement with the Philippine government; and if we will add to that percentage the copra which may come in from the Philippine Islands, with its oil content, we will find a total of something over 80 per cent of all that we use in this country of coconut oil and the content of copra, which consists of coconut oil, coming from the Philippine Islands free of duty. Why do not the Senators who are so sincerely, and I believe in every instance but this, where I beg leave to differ with them, so intelligently, defending the needs of agriculture in the United States move to put a tariff tax on the importations of coconut oil from the Philippine Islands? We get nearly all that we use from there, but nothing is said about that. That situation seems to be accepted.

I can not regard the coconut-oil situation as depicted in this bill, therefore, as being exceedingly important, for the most of it is coming in free of duty, anyway. The percentage we are getting from the Philippines is increasing, slowly but surely, from year to year, and we may get 90 per cent of it from there before we know it instead of 75 per cent.

Cottonseed oil is listed here at 3 cents per pound. That is a fine, splendid, staple American product. It is one of the three or four elements in our whole agricultural situation which has helped make American fats and oils famous the world over—our immense production of first-class cottonseed oil. This paragraph provides that if cottonseed oil is imported into the United States, and it is thereafter proved to the satisfaction of the Treasury Department that it is not used and has not been used for food products, the duty of 3 cents a pound shall be remitted. If it is used for food products, of course it comes into competition with the American food producer, including the American cotton grower. I believe with the Senator from Idaho that he should be protected, and this bill does it. In that event, 3 cents a pound must be paid on the imported cottonseed oil. The same observations hold good for the peanut oil at 4 cents a pound and the soya-bean oil, of which we have heard so much, at 3 cents a pound. Whenever these oils come into competition with the American food producer in the manufacture or production of food products, they are to pay a tariff rate; but if they do not come into competition with our food producers and our food products, they are not to pay a tariff rate. Personally I do not think they should; for if we build up a barrier, even though it be a comparatively low one, against the importation of foreign fats and oils of a second and third rate in quality which are not to be used for food in the United States we are going to compel the deluging of the European market with those same oils, with which we can not compete in Europe. The people of Europe are bound to eat the oils and the fats. If they can not export, and if the people of the Orient can not export their surpluses of these cheap second and third rate oils and fats to the United States, they will keep them at home and eat them. American people would not care to eat them, but others will. They will have to.

The very exigencies of trade and commerce and their difficult economic situation will compel them to do so; and I fear that in that event the American farmer, the man who produces beef cattle and hogs and sheep and cotton will lose a large portion of that splendid foreign market which has done so much toward building up the live-stock industry and the cotton industry of the United States.

Mr. President, I think the committee is right in this matter. I am told that a good many farm organizations have resolved against the committee's attitude. I fear that some of them do not realize where the American live-stock industry's prosperity comes from, in large part. It comes, Mr. President, in large part from our ability to export American meat food products, fats, and oils at the highest prices commanded in the world's markets; and as long as we can keep doing that, and protect our own domestic market against undue and unreasonable invasion of it by competing food products, just so long will American live stock and agriculture generally be safe. If we should lose our export market on these things, and especially the matters covered in this bill—fats and oils—we can not hope to get the same prices for our cattle and our hogs and our cotton seed when we send them to our domestic markets and endeavor to sell them there in order to keep our business running.

So, Mr. President, I venture to express my approval of the solution reached by the Finance Committee as set forth in paragraph 50a.

Mr. GOODING. Mr. President, I think, in connection with this duty, that I am in pretty close touch with the agricultural interests of the country; and if there is another farmer in

America, outside of the senior Senator from New York [Mr. WADSWORTH], who is asking for free vegetable oils for soap, I have not heard of him.

Again, I can not understand why the Senator, with his clear vision of everything that he discusses in the Senate here as a rule so well and so ably, will insist that a duty on vegetable oils is going to interfere with our export business. That is one of the things that I can not understand in the Senator, because surely, with the provision in the bill that permits the refunding of 90 per cent of the money upon reexportation, the duty can not interfere with any manufacturer of any kind that wants to reexport any product.

Mr. President, if this provision of the committee is adopted this is what is going to happen, and a representative of the soap interests admitted it to me, and, of course, it will happen as a business proposition: They will go into the world's markets and buy the cheapest vegetable oils they can buy and bring them into America, and that will control the price of vegetable oils in this country, because that vegetable oil will be used in interchanging. They do not have to use coconut oil. They can use soya-bean oil in making soap. They can interchange them. They will just buy the cheapest oil they can buy and bring it into America and beat down the prices, and this bill as far as protection is concerned to the cottonseed growers and the soya-bean growers and the peanut growers and the producers of fats for soap just becomes a straight farce.

That is all I have to say.

Mr. WILLIS. Mr. President, I think the votes I have thus far cast here in my very limited service bear out rather distinctly the idea that I am in favor of the policy of protection, and particularly in favor of that policy as it is applied to the products of the farm. Because I have favored that policy it has been a delight to me to go along with the distinguished junior Senator from Idaho [Mr. GOODING], who has taken a very active interest in these matters, and who, in my judgment, has rendered a great service to the farmers and to the country in aiding in writing into this bill an agricultural schedule the most favorable to the farmer that has ever been written into any tariff bill, so far as I know, in the history of the country. The Senator from Idaho has had a large part in that.

I want to say at this point that I think the committee which has had the exceedingly difficult problem treated of here in paragraph 50a to deal with has reached a solution that is fair to all.

I am not quite able to agree with my good friend from Idaho [Mr. GOODING] touching some things that he has said regarding this tariff rate and the interests and industries involved. Our situation in Ohio is perhaps somewhat unlike that of some other States. The soya bean has been raised in Ohio and will be increasingly raised there. It is a great crop for the enrichment of the soil. So far as I know, no soya beans raised in Ohio are being used as a source of oil. There may be some. I do not know about that.

Mr. WALSH of Massachusetts. Mr. President, will the gentleman yield for a moment?

Mr. WILLIS. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. Will the Senator state whether or not he has received any letters from farmers in Ohio protesting against the duties upon these oils?

Mr. WILLIS. I was just about to take up that matter, and I will take it up now. Because of the fact to which I have alluded our farmers are very much interested in soya-bean growing, but not as a source of vegetable oil. I have received no letter from any Ohio farmer or from any organization of Ohio farmers asking for this duty upon soya-bean oil, except as a means of preventing the use of this and other vegetable oils in the production of filled milk and substitutes for butter and lard, and yet I personally know that there are thousands of them that are very much interested in soya-bean culture, and the reason of that is the fact I have stated—that the soya bean is used there as a forage crop, and it is a splendid one, or as a crop to be plowed under for the fertilization of the soil.

Mr. WALSH of Massachusetts. I suppose the Senator has received no letters either in regard to the duty upon coconut oil or cottonseed oil or peanut oil?

Mr. WILLIS. Yes; I have received some letters, as I shall explain to the Senator in a moment.

I have made some inquiry about this matter amongst the soap people and the varnish people, who have great industries in our State. So far as I have been able to find out from the inquiries I have made, absolutely none of this soya-bean oil produced from soya beans grown in Ohio is offered in any Ohio market, nor have I been able to find any of them—I do not say that there are not any, but so far as my inquiry has gone I have not been able to find any—but that are willing to make affidavit

that they have not been offered in the market any soya-bean oil pressed from beans grown in the United States; and I state that recognizing the fact that this report of the Tariff Commission states the undoubted fact that in 1915, 100,000 bushels of soya beans were pressed in this country for oil, but they are not being so pressed to any considerable extent now. It is quite possible that as the years go on that industry will develop, and I am in favor of encouraging it, and encouraging it by a reasonable duty, but I doubt whether it would be wise to impose a practically prohibitive duty on that product just now.

Mr. GOODING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Idaho?

Mr. WILLIS. I yield to my friend from Idaho.

Mr. GOODING. I should like to say to the Senator that the junior Senator from North Dakota [Mr. LADD] read into the Record on yesterday, as I remember, a letter in which it is stated that at the present time practically all the soya beans grown in this country are being used for seed—that is, the larger amount of them. There is such a demand for them that they are using practically the entire crop for seed, it is extending so rapidly and so fast; and I think that is correct.

Mr. WILLIS. I think that is undoubtedly true; and, incidentally, that is one of the reasons why under present conditions soya beans would not be used as a source for oil, because they would be worth two or three times as much for seed as they would as a source of oil.

I think my good friend the Senator from Idaho is mistaken in another respect, when he speaks of the "soap trust." I do not know what may exist somewhere else, but I am fairly well acquainted with the industries of Ohio. There is not any soap trust in Ohio, and if there were I would not be speaking for them. I am not their champion, and hold no brief for the soap industries; but fairness compels me to state the fact that so far as I know there is not anything of that sort at all.

I personally know of at least 30 independent soap manufacturing concerns in the State of Ohio, and a large number of concerns manufacturing paints and varnish, all of which, of course, are interested in these duties.

I have received a large number of letters from farmers. I will not take the time to read them, but I ask unanimous consent to insert as an appendix to my remarks just a few of the letters and telegrams which have come to me from Ohio farmers.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See Appendix.)

Mr. WILLIS. My friend from Idaho suggests that the farmers are not asking for free oil. They certainly are not; but they are asking for exactly that which the committee has provided for in this amendment. For example, I have before me a letter, all of which I shall put in the Record, from one of the leading agricultural men of our State, a man whom my colleague knows as well as I do, the editor of the Ohio Farmer, in which he calls particular attention to the fact that it is desirable, from the viewpoint of the farmer of Ohio, to have such provision in the law as will discourage, if not prevent, the use of these imported vegetable oils in the manufacture of edible products, calling attention to the fact that they are being used in making filled milk, and in butter substitutes, substitutes for lard, and so forth. That is the burden of the letters and telegrams and other communications I have received from Ohio farmers.

Mr. FRELINGHUYSEN. Mr. President, I should like to ask the Senator if the editor of the Ohio Farmer spoke in his communication of coconut oil as well as the vegetable oils used in filled milk?

Mr. WILLIS. I think, in fairness to the editor, I ought to read at least a part of the letter just now. It is as follows:

In the name of the dairymen and farm producers of Ohio we urge the importance of adequate tariff protection against the importations of oriental peanuts, peanut oil, coconut oil, soya beans, soya-bean oil, etc., which are coming to be a tremendous factor in offering food substitutes which are placed on the market in competition with the products of American farms.

I will not read the rest of the letter, but will put it in the Record at the close of my remarks. He was talking about the use of these vegetable oils in making edible products which come in competition with dairy products. Here is a bundle of telegrams to the same effect.

I think the committee and its distinguished chairman, the Senator from North Dakota, who have faced a very difficult task, have done a mighty good job of work in drawing the amendment which they have offered. They have written into the bill this language:

PAR. 50a. Coconut oil, 4 cents per pound; cottonseed oil, 3 cents per pound; peanut oil, 4 cents per pound; and soya-bean oil, 3 cents per pound: *Provided*, That such oils may be imported under bond in an



amount to be fixed by the Secretary of the Treasury and under such regulations as he shall prescribe; and if within three years from the date of importation or withdrawal from bonded warehouse satisfactory proof is furnished that the oil has been used in the manufacture of articles unfit for food, the duties shall be remitted: *Provided further*, That if any such oil imported under bond as above prescribed is used in the manufacture of articles fit for food there shall be levied, collected, and paid on any oil so used in violation of the bond, in addition to the regular duties provided by this paragraph, 3 cents per pound, which shall not be remitted or refunded on exportation of the articles or for any other reason.

I think, then, that the Finance Committee has made a fair, an earnest, an honest, and I may say, in my humble judgment, a successful effort toward the solution of this problem, upon which I congratulate the chairman. I shall support the committee amendment. It provides fair protection upon vegetable oils produced by American farmers; through the bonding provision free entry of vegetable oils is secured for the encouragement of foreign trade and for the guaranty of a supply of cheap soap material for the United States, and at the same time the use of these vegetable oils is prevented, so far as possible, from entering into edible products that would come into competition with our own dairy products.

## APPENDIX.

THE OHIO FARMER,  
Cleveland, Ohio, March 25, 1922.

Hon. Frank B. Willis,  
Senate Office Building, Washington, D. C.

DEAR SENATOR: In the name of the dairymen and farm producers of Ohio we urge the importance of adequate tariff protection against the importation of oriental peanuts, peanut oil, coconut oil, soya beans, soya-bean oil, etc., which are coming to be a tremendous factor in offering food substitutes which are placed on the market in competition with the products of American farms.

We feel that we can look to you to protect the interests of our fundamental industry, which is just getting back onto its feet after the most trying time in our history.

Thanking you for whatever effort you can exert to protect the honest products of American dairies, stock farms, bean fields, cotton plantations, and linseed producers, we remain,  
Yours respectfully,

JOHN F. CUNNINGHAM.

LIMA, OHIO, March 20, 1922.

Senator FRANK B. WILLIS,  
United States Senate, Washington, D. C.:

The dairy interests of northwestern Ohio require protection against vegetable oils used for making butter substitutes. The duty should be at least 5 cents per pound on vegetable oils and 3 cents per pound on copra and soya beans.

THE FARMERS' EQUITY UNION CREAMERY CO.,  
OREN DICKASON, Secretary.

WAUSEON, OHIO, March 20, 1922.

Senator F. B. WILLIS,  
Washington, D. C.:

Our organization of 4,000 dairy farmers favor duty of 4 cents per pound on vegetable oils and 2 cents on copra and soya beans. This is necessary to safeguard the dairy business.

NORTHWESTERN COOPERATIVE SALES CO.,  
J. C. BURR, President.

COLUMBUS, OHIO, March 22, 1922.

Hon. F. B. WILLIS,  
Senate Office Building, Washington, D. C.:

Ohio milk producers insist that you use all possible efforts to secure a duty of not less than 4 cents per pound on vegetable oils and 2 cents on copra and soy beans, thus securing the market for Ohio's dairy products and safeguarding the health of the general public.

E. D. WARD,  
Secretary Ohio Dairy Marketing Organization.

JEFFERSON, OHIO, March 21, 1922.

Hon. F. B. WILLIS, Washington, D. C.:

The Dairymen's Cooperative Sales Co., of Youngstown, Ohio, composed of 11,000 dairymen, urge you to work for a duty of 4 cents a pound on vegetable oils and 2 cents a pound on copra and soy beans. Dairymen must have this protection.

P. S. BRENNEMAN, President.

Mr. McCUMBER. Mr. President, paragraph 50a brings to the front one of the thousands of difficult and complex problems which the Committee on Finance has had to face in formulating a protective tariff bill. The formulation of a tariff bill for revenue only is very simple. All the committee has to determine is the amount of the imports, the effect of certain rates upon those imports, and what we need to raise, and then divide that amount among the several classes of imports in a way that will be least burdensome to the American people. That is a simple process.

But when framing a bill from the protective standpoint, you have first to measure the effect of each duty upon the first or primary industry into which the article goes, then the secondary industry. Then you have to take each article which enters into a product and trace it through all the ramifications of the

industrial concerns of the United States and ascertain just what effect it has not only in the production but upon the ultimate consumer.

It is a difficult process, indeed, and it brings into the arena all of the conflicting interests and forces, and in an acute form that is true of this particular paragraph.

The primary contestants in the matter of the duty which has been placed upon these oils were the dairy interests on the one side and the general industrial interests on the other. The dairy interests naturally wanted to cut out anything capable of being used in an edible form which might conflict with their product. The industrial interests desired to get the particular products in without their being loaded with any duty whatsoever.

During all the years I have been in the Senate I have been attempting to make not only the Senate understand, but to make the world understand, as far as I could, that it was an erroneous idea to assume that God Almighty created a class of people known as farmers simply to produce food and clothing for the rest of humanity to eat and wear, and that all a farmer was entitled to was an existence out of that business. I have been trying to convince the country that if possible farming ought to be made so remunerative that people could engage in it as a business and could conduct it in the same manner in which they conduct any other business; that they could employ their sons and daughters and pay them wages, the same as the banker would employ his son or his daughter in the bank and pay a wage; and that they could secure from their efforts an amount above the bare expenses of operation sufficient to declare a dividend at the end of the year.

Gradually we are trying to reach that condition, gradually we are bringing the interests of the farmer to the front, and we are trying to protect his interests the same as those of any other industry. I feel under great obligations to the Senator from Idaho and to the farm bloc for the efforts they have put forth to get honest protective duties for the farmer, and I wish to compliment them also on the fact that they have been willing to give protection to every other industry in the country.

But the committee faced a difficult problem in dealing with this particular case. There were the two interests. The farmer should not be blind to the interest of the manufacturer, and the manufacturer should not be blind to the interests of the agricultural producer. We want to so levy and adjust our tariff rates from the protective standpoint at all times that they will not injure any business, but will raise both interests to a higher plane of prosperity. That is what we are trying to do in the final settlement of this case.

I stated that we began some time ago to try to protect the farmers' and the dairymen's interests. When we first began to manufacture oleomargarine it went upon the tables in our restaurants and in our hotels and sold for from a half to two-thirds the price of good butter, and we used it without knowing what we were using. It was colored, and it was so flavored that ordinarily in using it upon the table you could not tell the difference. Thus in the early days we were putting into our stomachs stearin, deodorized lard, and every other kind of stuff out of which they manufactured oleomargarine.

Finally Congress determined that they would stop at least the fraudulent use of it, and they levied a tax upon margarine. They said to the people, "If you want to buy it, you can purchase it, but you have to purchase it identified so that you will know it is not butter." That was our first step to protect the dairy interests of the United States.

We have gone further in this bill. We have not only put a duty of 8 cents a pound upon all imported butter, but we put a duty of 8 cents a pound on everything that is sold as a substitute for butter, no matter what it is. So the dairyman must admit that we have done the best we could to protect his interests.

When he was before our committee all he claimed, as suggested by the Senator from Ohio, was protection on the edible products. He did not want to have these oils brought in and used in competition with cream and milk, butter and cheese, and that is all he did ask. I have talked with a number of those who represented those interests, and they were satisfied with this provision. Of course, they would have been better satisfied if we kept them out entirely, because they argue, just as the Senator from Idaho does, that it has some effect as a displacement of our American fats and oils.

Mr. GOODING. Mr. President, I want to say to the Senator, who, as chairman of the committee, has worked very hard, that I think I am in a position to know what the dairy interests of this country want. No doubt some of them have stated what the Senator has said they did, and indicated that they were

satisfied. But their organizations everywhere are opposing this provision, which permits vegetable oils to come in free for the soap people. I have plenty of telegrams and letters which I could put into the RECORD if I cared to. They feel they are not going to get proper protection if this provision is adopted.

Mr. McCUMBER. Yes; I heard the argument of the Senator and I will answer it most briefly. I do not agree with the Senator from New York and the Senator from New Jersey with reference to the great danger that we would have in disposing of the fats and oils which we produce in this country if we prevent the oils from India and the Orient from coming into the United States. Their argument is—and there is something in it, but I think they give to it a greater weight than it is entitled to—that if the oil of the Orient and India can not come into the United States, it will go to Italy, Great Britain, and France and will be consumed there, and that just to the number of pounds, we will say approximately, that they consume of those oils in those countries they will not consume the tallow and the lard that is manufactured in the United States. Well, each product, as a rule, has a market of its own for the particular purpose, and while I have no doubt that it would affect us to some extent, I do not think we need to give it the weight that is given by the two Senators whom I have mentioned.

But now I want to consider for a moment what we have done for the dairymen and for the American producer of fats in the United States. What do we produce? We have cattle and hogs and we have fish. What have we done? We have protected those. In paragraph 49 we have put on cod and herring and menhaden oils 5 cents per gallon duty. We have put on whale and seal oil 6 cents per gallon duty. We have put that on whether they come in and are made into soap or not. There is no rebate on that. On sperm oil we have placed a duty of 10 cents per gallon and on all fish oils not specially provided for a duty of 5 cents a gallon. So we have defended the American fats and greases against fish oils of every nature, kind, or description. Those are not included in the oils which we say may be used without the payment of duties, provided they do not go into edible products. Those have to pay a duty anyway, no matter for what purpose they are used.

Then again, we have provided on all other oils and fats 20 per cent ad valorem. Then we come down to castor oil, hempseed oil, linseed oil, flaxseed, and olive oil, and upon all of those we place a duty, no matter for what purpose they are used in the United States. Olive oil in containers bears a duty of 60 cents per gallon, and other olive oil not specially provided for 50 cents per gallon. Even poppy-seed oil, raw or boiled or oxidized, bears a duty of 20 per cent ad valorem. All of these bear a duty, no matter for what purpose they are used. We selected four of these oils and stated that if any of those four kinds come in the United States and are not used for edible products, then the duty may be remitted.

Mr. TOWNSEND. Mr. President—

Mr. McCUMBER. But if they are used so that they can in any way come in competition with our dairy products, then the full, heavy duty must be paid.

I yield to the Senator from Michigan.

Mr. TOWNSEND. The thing that disturbed me in that particular was the question as to how we are going to determine that fact.

Mr. McCUMBER. Experts of the Treasury Department say there is no difficulty whatever in doing it. We have similar provisions with reference to the use of certain products. It is just as easy as it is to determine when one gets a drawback what proportion of the product has been exported and what proportion has been used in the United States.

Mr. TOWNSEND. It seems to me it is much easier to determine the question of reimportation, which is a general principle, and to know how to handle it than it is to segregate from this product, as it comes here and is stored for three years under bond, that which can be used and is used for edible purposes from that which is not. Practical men have informed me that this is an almost impossible task.

Mr. McCUMBER. The Senator does not wait until three years have elapsed before anything is done. Of course, the product is brought here in bond, and the moment he takes anything out of bond he has to report it, and he has to report finally what it is used for, or if it is sold it is quite easy to trace where it has gone.

Mr. TOWNSEND. Of course, if I thought that was easy I would not question it, but it seemed impossible to me.

Mr. McCUMBER. For instance, under this bill our carpet wools come in free. We will have to trace to find that those wools actually go into the manufacture of carpets. The de-

partment believes that it will find no difficulty in enforcing this provision.

I say there were simply four kinds of oils which we allow to be used, and most of them are used in soaps, and they may come in free provided they are used for a specific purpose and do not go into any other edible product. What are they? Coconut oil is one and bears a duty of 4 cents per pound. Where do we get our coconut oil? Seventy-five per cent of it comes from the Philippine Islands. That comes in free. Now, the Philippine merchant can make his oil out of 80 per cent of Philippine coconuts and 20 per cent of Indian coconuts and still bring it in free. When we come to the question of copra, the crude coconut meat dried, it is simply a question whether our American crushers or oil producers shall surrender their business over to the Philippine Islands. We levy a small duty, but it is not a bagatelle, and it will not affect the soap-making industry or any other industry in the United States. There is not a dollar's worth of copra that can be used in the manufacture of condensed milk or in any other dairy product without paying the full rate of duty.

I believed in going further than that. My own opinion is that we should do with all of these butter substitutes exactly what we did for oleomargarine—put a tax upon it so that they can not drive out of business the dairy industry of the United States. I would not object to the use of these substitutes at all if I considered that the product was just as good, but I believe that it is practically a fraud upon the consumer.

Next is cottonseed oil. What is that used for? Ninety per cent is used in the United States for food products. We can not prevent that. Ninety per cent of it goes into substitutes for lard and other food products. All we have said is that the other 10 per cent or anything that is brought into the United States shall not be used for food products without paying the duty. That is all that was possible for us to do to protect against the use of cottonseed oil in an edible product.

The next is soya-bean oil, 3 cents per pound. The soya-bean oil can not be brought into the United States without paying that full duty unless it is brought in for the purpose of producing something else than an edible product. What can it be brought in for? It can be used in the manufacture of paints. To-day I think the price is so high that it could not be used for that purpose. But assuming that linseed oil goes up so that it would induce the manufacturer of paint to mix in a certain portion of soya-bean oil, he has not as good a product of paint, and that is absolutely certain. It is an adulterant and no good concern would dare to use it if they depended upon maintaining their good reputation. But it may be that to the small extent that it may possibly be used in making paints it will compete with linseed oil. However, I do not think there will be much danger even there.

Mr. KING. Mr. President—

The PRESIDING OFFICER (Mr. NICHOLSON in the chair). Does the Senator from North Dakota yield to the Senator from Utah?

Mr. McCUMBER. I will yield in a moment. I think the soap industry can take care of itself, but I realize the fact that the real wealth of a nation depends upon the balance of trade in its favor in dealing with foreign countries. I would first take care of our home markets and see that the American laborer and the American producer first had his own market, that he might receive a good wage and a fair return upon his investment. I would take care of that first, but as soon as that was taken care of I would reach just as far into the market as possible for the purpose of getting as great a balance of trade in our favor as we could. Therefore when these oils come in and are manufactured into soap and that soap is exported, or an equal quantity of the oil is exported, I do not think that the producer of fats in the United States, the farmer who raises hogs and cattle, is going to be seriously injured. Whether there is a little injury or not, Mr. President, this was a compromise, and it was the best that we could get to satisfy all classes that were interested in the subject.

I now yield to the Senator from Utah.

Mr. KING. I think perhaps the Senator covered the point I had in mind. The Senator in discussing the soya bean said that the product of it, the oil, was used for paint purposes, and indicated that that was the only purpose for which soya-bean oil was used.

Mr. McCUMBER. It can not be used for food purposes.

Mr. KING. It is used for soap.

Mr. McCUMBER. It may be used for soap and for other industrial purposes.

Mr. KING. What I had in mind was that the Senator did not intend to limit its use to paint purposes.



Mr. McCUMBER. No. What I meant to say was that the only thing with which it came directly in conflict which the farmer produced is linseed oil.

Mr. KING. Mr. President, before a vote is taken I desire to submit a few remarks and have read an editorial that I think is pertinent to the question before us and answers some of the arguments suggested by the Senator from South Dakota [Mr. LADD] and the Senator from Idaho [Mr. GOODING] who are representatives of the farm bloc. They have contended, and others have accepted the same view, that imported vegetable oils come into competition with dairy products. In my opinion this view is erroneous and the facts already disclosed by the record do not support such contention.

I join with Senators in paying tribute to the agriculturists of the United States. Upon various occasions I have referred to the difficulties under which they have labored and the hardships which they have encountered. I have stated not only during the course of the debate upon this bill but upon other occasions since I have been in the Senate that there has been too much legislation of a special character and that Congress has too often exhibited a solicitude for the manufacturing interests at the expense of the agriculturists. I have not been able to understand how the farmers of the United States could have given such general support to the Republican Party, particularly during the reign of the extreme Republican protectionists, because that party has been controlled by forces and interests that have been deaf to the needs and welfare of the agriculturists of the United States. The farmers have been compelled to buy many of the commodities essential to their life and welfare from protected interests, and they have sold their products at prices which were fixed by world prices. They have supported policies that enabled the manufacturers of the United States to form combinations, monopolistic in character, under which domestic prices for the products of such organizations have been forced to inordinately high levels.

The farmers have been the victims of the protection policy, and instead of condemning the Republican Party and its oppressive economic policies the agriculturists have given very general support to the party that was hostile to their best interests. And we are told now that certain groups have been formed to procure the passage of this bill. The agricultural interests, it is claimed, will support the bill because of the promises of protection to the farmers, and, of course, the manufacturing interests of the United States will support it because it lays tariff duties so high as to enable the domestic producer to fix prices that will bring enormous profits to the domestic manufacturer.

I believe that the prosperity of the United States goes hand in hand with the prosperity of the farmer. But the farmer and the live-stock producer will not be benefited by this bill and the provisions which are urged as affording benefits to the farmers will prove to be like dead sea apples.

This bill is in the interest of certain great industries, such as steel, the textile and woolen mills organizations, the dye corporations, the chemical interests, and others which I will not now mention. There may be a few paragraphs in the bill which deal with agricultural products from which some benefit may be derived by the farmers of the United States, but generally speaking, I repeat, this bill will prove injurious to the farmers and harmful to the live-stock interests of the country.

Mr. President, I ask that an editorial appearing in the February issue of the California Dairyman, a newspaper published in Los Angeles, Calif., may be read from the clerk's desk. While I do not assent to all the conclusions drawn I think it answers some of the objections urged against the importation of vegetable oils and demonstrates that the importation of such oils will not prove harmful to the dairymen of the United States; also that the emergency tariff bill did not operate as promised by its advocates.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Assistant Secretary read as follows:

#### ANOTHER ANGLE OF THE TARIFF QUESTION.

A careful analysis of the trade conditions resulting from the present emergency tariff import duty on foreign vegetable oils clearly shows that the operation of this duty is an important cause of declining prices for butter fat and hog lard.

The intended effect of the emergency import duty was that protection would be given both to the vegetable and the animal fat industries.

It was recognized that the prices received by the American producers and manufacturers of dairy and hog products were directly affected by the market prices of edible vegetable oil products, such as margarine and lard compound.

The framers of the present emergency tariff considered that by imposing a duty on cheap imported oriental oils, fair market prices could be obtained by dairymen, cotton growers, and hog raisers, and, incidentally, the Government could collect some much-needed revenue.

In actual practice none of these desirable results occurred. What did happen was that the duty acted as an embargo and millions of

pounds of oriental oil which previously used to find their way in a large measure into American industrial channels were diverted to European markets for use as edible oils. This diversion of inferior oriental vegetable oils from their industrial use in the United States to use in edible form in European countries has caused a decrease in our monthly exports of cottonseed oil of from 60,000,000 pounds in January, 1921, to five to ten million pounds at the present writing.

It has been recently shown to the Committee on Finance of the United States Senate that our import tariff of 20 cents a gallon on coconut, soy beans, and cottonseed oils and 28 cents on peanut oil has permitted European buyers to centralize their purchases of these oriental oils which the duty excluded from our country.

This concentrated buying in Europe and the absence of American competitive buying for industrial purposes caused a decline in foreign edible fat and oil prices below cost of production of our American products.

When we take into consideration that this country normally would export over 60 per cent of its hog-lard production—nearly a billion pounds—and about 400,000,000 pounds of cottonseed oil it becomes obvious that when a considerable portion of this exportable surplus falls to find a profitable export sale it must remain in our domestic market.

Any condition which prevents the widest export sale of cottonseed oil means more and cheaper margarine and lard compound and proportionate declines in butter fat, dairy cattle, and hog prices.

On the other hand, a return to the normal import and export conditions affecting vegetable and animal oils, which prevailed prior to the emergency tariff, will undoubtedly result in an upward price reaction benefiting cotton growers and members of our own dairy and live-stock industries.

A protective import tariff on butter and butter substitutes is a necessity.

It is still more important that the import duty on foreign edible oil, seeds, and beans as now written in the proposed permanent tariff be eliminated.

Mr. KING. Mr. President, I regret that the proponents of the amendment, and particularly those who belong to what is denominated the "farm bloc," were not in the Chamber to listen to the admirable editorial which has just been read and which shows the untenable position of the Senator from Idaho [Mr. GOODING] and the distinguished occupant of the chair, the junior Senator from North Dakota [Mr. LADD].

Mr. President, a statement was made by the Senator from Idaho relative to the increase in the price of vegetable oils following the passage of the emergency tariff act. A sufficient reply to the contention that the emergency tariff law was responsible for any possible increase in the price of vegetable oils is found in the report submitted by the Tariff Commission under date of June 27, 1922. On page 58 of that report the following appears:

The price of cottonseed oil is influenced chiefly by the price of lard, of which the United States is the largest exporter. When the price of the latter exceeds that of cottonseed oil by a certain amount, the market for lard substitutes, which consumes 80 per cent of our cottonseed-oil production, is improved and the price of the oil advances. Table 13 shows the price trend of cottonseed oil since 1914. It will be noted that minimum prices for recent years prevailed in April, 1921. The subsequent rise in prices, while possibly due—

I presume the words "while possibly due" were deemed proper in view of the nature and character of the work of the commission, but it is obvious, if one may interpret the meaning of the writer by the language employed, that the author of this report did not deem the rise in prices, small though it was, as in any degree attributable to the emergency tariff act—

The subsequent rise in prices, while possibly due in some measure to the effect of the emergency tariff, was influenced by at least four other factors:

- (1) The shortest cotton crop in two decades.
- (2) The large increase in lard exports in 1921, which advanced the price of lard and, consequently, of cottonseed oil.

That is exactly the contention of the Senator from New York [Mr. WADSWORTH], the Senator from New Jersey [Mr. FREELING-HUYSEN], and the chairman of the Committee on Finance [Mr. McCUMBER], that because of the interchangeability of these vegetable oils and animal fats, and by reason of the tremendous exports from the United States, aggregating approximately 1,400,000,000 pounds annually, the prices in the world market determine the prices in the United States; and, of course, anything that contributes to the reduction of prices in the world market and as reflected in Europe would immediately lower the prices in the United States.

- (3) A world shortage of vegetable fats. The Mediterranean olive-oil crop, normally in excess of 2,000,000,000 pounds, was 44 per cent short, and the Manchurian soya-bean-oil crop was 20 per cent short.

- (4) A gradual relaxation of business deflation with resultant stiffening of prices of nearly all commodities.

Mr. President, some of the farm bloc contend, and properly, that the law of supply and demand determines prices. When the Mediterranean crop of olives was short 44 per cent, when the Manchurian crop of soya beans was short 20 per cent, when the cotton crop in the United States was short, manifestly, whether there was a tariff or not, prices of cottonseed and vegetable oils and animal fats in the United States would rise, and, as the prices rose, so the reservoir of prices of these products would rise throughout the world. It is regrettable that our friends who are the proponents of this amendment, and who defend the law of supply and demand when it suits them, deny



its validity when its operation contravenes their desires and exposes their fallacies.

Reference was made by the Senator from Idaho to the attitude of some Oklahoma and Texas cottonseed crushers. The Senator from Massachusetts [Mr. WALSH] yesterday put into the Record, without reading, a number of letters, and I desire now to call attention to one or two of them. I read from a letter written by the Palestine Oil & Manufacturing Co., of Palestine, Tex., wherein it is said:

Without going into any exhaustive argument, I will answer the second paragraph of your letter by stating most emphatically that I do not think American vegetable-oil mills need to be subsidized by a tariff in order to operate successfully. On the other hand, I believe the Fordney-McCumber tariff bill will work a hardship on not only our industry but all industries producing edible fats, including manufacturers of finished edible products, the cotton raiser, the cattle and hog raisers, and I might say the soap industry.

Mr. A. G. Kahn, of Little Rock, Ark., states:

The American vegetable crude-oil mills do not need to be subsidized by a tariff in order to operate successfully. In fact, these mills have no direct concern in a tariff.

I might add parenthetically, Mr. President, that so far as I have been able to discover the representatives of these mills, more than 700 in number, are concerned primarily in finding a supply of raw material for their mills. They are unable now to operate their mills more than 50 per cent of the time because of the inadequate production of oil seeds in the United States and their inability to secure under existing law sufficient supplies in other countries.

They would be glad, of course, to see domestic production of cotton seed increased, because that would increase the productivity of their mills, and consequently increase their profits; but they are primarily concerned in the welfare of the cottonseed producers of the United States. If the cottonseed producers of the United States receive any blow to their industry, it will militate against the crushing industry; and if the world prices of cotton seed and other vegetable oils, or of animal fats, are reduced, the price of cotton seed and cottonseed oil in the United States is reduced, and such reduction injuriously affects the producers of cotton seed and undoubtedly would diminish their output. So it is to the interest of the seed crushers' associations to have the cottonseed industry prosperous, and it will prosper by increasing the world prices. World prices will increase by diverting to the United States instead of to Europe oriental oils and seeds, where they may be converted into what may be denominated the finished products, because in so doing it adds to our exports and prevents Europe from lowering the prices, which she would do if she were the only purchaser of oriental oils and oriental seeds.

Recurring to this letter of Mr. Kahn's, he says:

The function which they perform—

Referring to the mills—

is a manufacturing one. They are presumed to buy their raw materials, crush them, and sell the manufactured products at a margin sufficient to reimburse them for their service. You will therefore see that they are only interested in maintaining this margin or toll. What arguments have recently been made in favor of a tariff by some cottonseed oil mill operators are presumably in the interest of the American farmer or producer of oil-bearing materials.

I personally think that even from the farmer's point of view, so long as we have an exportable surplus of American edible fats, a tariff would be a boomerang.

Mr. President, that seems to me as plain as any proposition in Euclid. When we have 1,400,000,000 pounds of exportable fats, when we determine largely the world price of fats and therefore of oil seeds in the world, it is absurd to say that the importation of a few million pounds of seeds or oils would result in competition with the American product, or injuriously affect the prices of oils and fats, including butter fats, in the United States or in the world.

The Senator from New York [Mr. WADSWORTH] very wisely remarked, though he is interested in agriculture and is solicitous for the welfare of the farmer, that his interests would be best promoted by having a world market for the animal and vegetable fats of the United States. It is manifest what the consequences to the live-stock producers of the United States prior to the war and during and since would have been had it not been for our European market. Their prosperity resulted from the European market. Cut off the European market for our surplus hogs and meats and butter fats and vegetable oils and these great industries will be seriously affected.

The Senator from Idaho, as I stated, had read from the desk what purported to be a copy of resolutions adopted by some Oklahoma and Texas oil-seed crushers' associations. Since then there has been a meeting of the national organization of the interstate cottonseed crushers' associations of the United States. I have before me the National Provisioner, the issue of June 17, 1922, and I read from page 23 of this paper the following paragraph:

The tariff question, which had been before the industry for a long time, required such definite action as was taken in the opinion of the members of the association, and so the convention declared itself in opposition to the tariff on vegetable oils.

As I am advised this national association includes the oil-seed crushers' associations of Texas and Oklahoma, and a resolution was adopted by the national association at their meeting in New Orleans January 4 of this year, which is as follows:

Resolved, That we are opposed to a tariff on foreign vegetable oils and oil seeds in the permanent tariff bill, believing that such a tariff would prove a detriment to the farmer and to our industry; and

Resolved, That our officers, either directly or through appropriate committees, present to Congress these our resolutions and advocate legislation accordingly.

On a separate motion the following additional resolution was adopted:

Resolved, That referring to the above resolutions, it is suggested to our associated State organizations that they take similar action.

I shall not take the time of the Senate to put into the Record further extracts from the proceedings of the association.

I think the same day a telegram was sent to the Senate committee by Mr. Watkins, of Atlanta, the chairman of the Crude Cottonseed Oil Tariff Committee, an independent organization of crushers, and so forth. Let me say that the organization to which I am now referring at first advocated a tariff upon vegetable oils, but after an investigation of the effect of a tariff, and after perceiving the effects of the emergency tariff law, it rescinded its former action, and communicated the following resolution to the Finance Committee of the Senate. Let me read from this page:

Following the special meeting of the Interstate Cotton Seed Crushers' Association at New Orleans, January 4, when resolutions were adopted declaring the opposition of its members to a tariff on vegetable oils, and their belief that such a tariff would prove a detriment to the cotton farmer and to the cottonseed industry, a number of leading crushers in the South, who had been foremost in advocating the tariff, joined with the majority in opposing it.

Henry E. Watkins, of Atlanta, chairman of the Crude Cottonseed Oil Tariff Committee, an independent organization of crushers that had actively worked for the tariff and had filed a number of briefs with the Ways and Means Committee of the House of Representatives and the Finance Committee of the Senate, wired officially to the chairman of each of those committees as follows:

"When Crude Cottonseed Oil Tariff Committee was organized and briefs were filed with House Committee on Ways and Means and the Senate Finance Committee asking for duties on foreign vegetable oils and oil-bearing materials, the entire cottonseed oil industry was not represented. The Interstate Cotton Seed Crushers' Association represents a distinct majority of those engaged in the cottonseed oil industry; and that association, at a special meeting held recently in New Orleans, voted by a large majority declaring by resolution that duties on foreign vegetable oils and oil-bearing materials are detrimental to the farmers and to the cottonseed-oil industry. The Crude Cottonseed Oil Tariff Committee concurs in the sentiment expressed in the resolutions adopted by the Interstate Cotton Seed Crushers' Association at New Orleans, and thereupon disbanded; and it now wishes to withdraw its brief asking for duties on vegetable oils.

"CRUDE COTTONSEED OIL TARIFF COMMITTEE,  
"By HENRY E. WATKINS, Chairman;  
"W. M. HUTCHINSON, Secretary."

Mr. President, if I believed that a duty upon vegetable oils would be of any advantage to the agriculturists of the United States it would change my attitude respecting this entire paragraph; but I believe that so long as we are exporting animal and vegetable fats to the extent of nearly one-third or quite one-third of our entire products, and are fixing prices for the markets of the world, a tariff will be injurious and not advantageous to the farmers of the United States.

I have here a copy of the telegram which was sent by our consular representative in Manchuria following the enactment of the emergency tariff law, and he states that when that law went into effect it withdrew American purchasers from the oriental market, and that left but one purchaser—to wit, Europe—for oriental oils and seeds, and with only one purchaser the price of oils declined, and as they went down reductions followed in Europe, for it permitted European purchasers to take the oils, bought at a less figure than if Americans had been competitors in the Asiatic market, to Europe, where they were refined and put upon the market in competition with American fats and oils. Owing to the poverty of the people of Europe they were compelled to purchase these inferior oils for edible purposes because the prices were lower than American prices and lower than they would have been if Americans had been in the market to buy oriental oil instead of being excluded by the emergency tariff law. In other words, the inferior oils of Asia, which would have been used to manufacture soap in the United States if they could have been brought to the United States, were sold to Europe and then manufactured into a poor grade of edible fats, thus excluding from Europe the same quantity of American fats—both animal fats and vegetable oils.

The result was that the emergency tariff law proved a boomerang to the agriculturists of the United States in its effects so far as vegetable oils are concerned. This bill would almost pro-



hibit, if not entirely prohibit, the importation of oriental oils, if the amendment of the Senator from Idaho were to prevail, and if we were to prohibit the importation of oriental oils the result would be, as I have stated, the diversion of those oils to Europe and the diminution of the business which is now conducted in the United States of refining oils, and it would have the effect in the long run of lowering the world price of animal and vegetable fats to the detriment of American agriculturists.

I think the proponents of this proposition are inadvisedly, and without full knowledge of the consequences of their acts, working against the interests of the agriculturists of the United States.

Mr. President, the Senator from Idaho has made reference to the tariff upon soap. The Senator knows that the manufacturers of the great bulk of the soap of the United States wanted no tariff. Perhaps 90 or 95 per cent of the soap of the United States bears a tariff of only 5 per cent, and the manufacturers of that character of soap did not want a tariff, and, so far as I am advised, the soap makers of the United States did not desire a duty on the perfumed soaps which are imported, which are limited in quantity, measured by the great production of the United States, and which bear a higher tariff.

Mr. McCUMBER. Mr. President, I think it fair to state that the higher duties imposed upon these perfumed soaps are revenue duties only. They were luxuries, and we levied these duties for the purpose of securing revenue, and not for protection.

Mr. KING. I was about to say that I acquit the soap manufacturers of any efforts to secure a duty. If I understood the attitude of the Senator from Idaho, he was criticizing the soap manufacturers for obtaining a tariff, when my information is that they did not want a tariff, and whatever tariff has been imposed has been for revenue purposes purely. I think it is a disadvantage to them, because to that extent it lessens their ability to compete in the markets of the world with the soap producers and manufacturers of other countries.

Mr. GOODING. Mr. President, I suggest the absence of a quorum.

Mr. SIMMONS. I hope the Senator will withhold that request for just a moment.

Mr. GOODING. I shall be very glad to withhold it.

Mr. SIMMONS. I must leave the Chamber within a few minutes, and before leaving I wish to read a short editorial from the New York Tribune. It is so apropos to the Republican filibuster that has been going on to-day that I feel I must read it.

The New York Tribune, I suppose it will be conceded by everybody, is a Republican paper. This editorial has to do with the extraordinary pronouncement of Chairman Adams, of the Republican National Executive Committee. It is headed "Chairman Adams blunders" and reads:

#### CHAIRMAN ADAMS BLUNDERS.

Chairman Adams, of the Republican National Committee, sees fit to echo the charge made by the tariff bill's managers in the Senate that it is being held up by a Democratic filibuster. This charge has little merit. Delay has not been due to a filibuster.

It is gratifying to have that said by this great Republican newspaper, in view of the repeated charges to the contrary by the other side of the Chamber, made for political purposes. The editorial continues:

The Fordney bill came over from the House a year ago. It was so crude as to need to be completely rewritten. The process consumed many months. The revised draft has not been acted on mainly because that draft is still subject to legitimate debate and alterations, and because the pressure from the country is for further consideration rather than for swallowing the bill without examination.

This great newspaper thinks we have not yet sufficiently discussed the tariff bill. It thinks the bill requires more discussion before it is swallowed. I continue reading:

Mr. Adams says that it is necessary to pass a permanent revision at once in order to carry out the pledges of the last Republican national platform. To show the error of this it is enough to quote the tariff plank of that platform. The mandate given for tariff revision was broadly discretionary and highly conditional. The plank reads:

"The uncertain and unsettled condition of international balances; the abnormal economic and trade situation of the world and the impossibility of forecasting accurately even the near future, preclude the formulation of a definite program to meet conditions a year hence. But the Republican Party reaffirms its belief in the protective principle and pledges itself to a revision in the tariff as soon as conditions shall make it necessary for the preservation of the home market for American labor, agriculture, and industry."

There is this further comment by the paper on this Republican platform declaration:

Exchange is more unsettled to-day than it was when this plank was adopted at Chicago. The economic and trade situation of the world is as abnormal as it was then. The fight in Congress, still unfinished, over the question of American or foreign valuation shows how extremely difficult it is to write a permanent tariff in the face of economic fluidity and chaos abroad.

Are conditions ripe for the fulfillment of the elastic promise of the Republican platform? It is open to any Republican to say that they are not. A Republican may go further and say that, in effect, the mandate, so far as there is one, is against enacting a permanent tariff

bill until international trade is normal, which notoriously it is not at present. The attempt of Chairman Adams to use the platform to shut off debate is not warranted by the language of the platform itself.

I think it is very timely to put this utterance of this great Republican and protectionist organ into the RECORD.

I want to say just one word in addition to what the Tribune so well said in refutation of the charge that we are filibustering upon this side of the Chamber instead of honestly and sincerely discussing a very imperfect, crude, and untimely bill. The fact that the four amendments to the bill as it passed the House which have excited the longest debate and discussion on this floor are, first, the amendment with reference to barytes; next, the amendment with reference to cyanide; next, the amendment with reference to almonds; and next, the amendment which we are now considering. In each of those instances the fight with respect to the amendment has been conducted largely upon the other side of the Chamber.

Mr. SMOOT. The Senator forgets the four days' fight on vinegar.

Mr. SIMMONS. I have no recollection of the time spent on vinegar.

Mr. SMOOT. Four days was spent on vinegar.

Mr. SIMMONS. If you add up the time spent on those four amendments, and survey those debates, you will see that the great bulk of the time has been taken up on the other side of the Chamber, in each case a fight against the committee on the part of certain Senators on the Republican side of the Chamber. That is the finest proof of the necessity of thorough discussion of the different items of this bill.

It was developed, with reference to those particular items, that there were certain objections on the other side because the amendments were not supposed to have been framed in the committee in consonance with the views of a certain element on the other side of the Chamber, and a controversy arose within the ranks of the Republican Party, which resulted in the most extensive debates upon amendments that have occurred since the bill was taken up by the Senate.

Mr. GOODING. Mr. President, I renew my suggestion of the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hale	McLean	Sheppard
Ball	Harrell	McNary	Simmons
Broussard	Harris	Moses	Smoot
Bursum	Heflin	Nelson	Spencer
Calder	Johnson	New	Stanley
Capper	Jones, N. Mex.	Newberry	Sterling
Colt	Jones, Wash.	Nicholson	Townsend
Cummins	Kendrick	Oddie	Underwood
Curtis	Keyes	Overman	Wadsworth
Dial	King	Pol Dexter	Walsh, Mass.
Edge	Ladd	Pomerene	Warren
Frelinghuysen	Lodge	Ransdell	Willis
Gooding	McCumber	Rawson	

The PRESIDENT pro tempore. Fifty-one Senators have answered to their names. There is a quorum present. The question is on the amendment of the Senator from Idaho [Mr. GOODING] to the amendment of the committee.

Mr. GOODING. I ask for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. BALL (when his name was called). Transferring my pair with the senior Senator from Florida [Mr. FLETCHER] to the junior Senator from Maryland [Mr. WELLER], I vote "yea."

Mr. EDGE (when his name was called). I have a pair with the senior Senator from Oklahoma [Mr. OWEN]. I am informed that if he were present he would vote as I propose to vote. I vote "nay."

Mr. FRELINGHUYSEN (when his name was called). I have a general pair with the Senator from Montana [Mr. WALSH]. I am informed that if present he would vote as I am about to vote on this question. I vote "nay."

Mr. HALE (when his name was called). I have a general pair with the senior Senator from Tennessee [Mr. SHIELDS]. I am informed that if present he would vote as I shall vote. I am therefore at liberty to vote. I vote "nay."

Mr. JONES of Washington (when his name was called). I understand the senior Senator from Virginia [Mr. SWANSON] is absent. I promised to pair with him for the day. I find that I can transfer that pair to the junior Senator from Oregon [Mr. STANFIELD], and I do so and vote. I vote "yea."

Mr. McCUMBER (when his name was called). I agreed to protect my pair on this vote, the senior Senator from Wisconsin [Mr. LA FOLLETTE] who if present would vote "yea" and I should vote "nay." I find, however, that I can transfer that

pair to the senior Senator from Connecticut [Mr. BRANDEGEE], which I do, and vote "nay."

Mr. NEW (when his name was called). I am paired with the junior Senator from Tennessee [Mr. McKELLAR]. On this vote I understand that he would vote as I do, and I therefore vote. I vote "nay."

Mr. STERLING (when his name was called). I have a general pair with the Senator from South Carolina [Mr. SMITH]. Being unable to obtain a transfer I withhold my vote. If at liberty to vote, I would vote "yea."

The roll call was concluded.

Mr. GLASS. I am informed that the senior Senator from Vermont [Mr. DILLINGHAM], with whom I have a general pair, would vote on this question as I shall vote, and therefore I vote. I vote "nay."

Mr. CARAWAY. Has the junior Senator from Illinois [Mr. McKINLEY] voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. CARAWAY. I have a pair with the junior Senator from Illinois [Mr. McKINLEY] and in his absence I withhold by vote.

Mr. COLT (after having voted in the negative). I have a pair with the junior Senator from Florida [Mr. TRAMMELL]. I understand that if present that Senator would vote as I have voted, and therefore I allow my vote to stand.

Mr. JONES of New Mexico (after having voted in the affirmative). I transfer my pair with the Senator from Maine [Mr. FERNALD] to the Senator from Nevada [Mr. PITTMAN] and allow my vote to stand.

Mr. CURTIS. I wish to announce the following general pairs:

The Senator from Arizona [Mr. CAMERON] with the Senator from Georgia [Mr. WATSON];

The Senator from Maine [Mr. FERNALD] with the Senator from New Mexico [Mr. JONES];

The Senator from Indiana [Mr. WATSON] with the Senator from Mississippi [Mr. WILLIAMS];

The Senator from West Virginia [Mr. SUTHERLAND] with the Senator from Arkansas [Mr. ROBINSON]; and

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON].

The result was announced—yeas 24, nays 33, as follows:

#### YEAS—24.

Ashurst	Harris	Kendrick	Polindexter
Ball	Heflin	Ladd	Ransdell
Broussard	Johnson	McNary	Rawson
Capper	Jones, N. Mex.	Nicholson	Sheppard
Gooding	Jones, Wash.	Oddie	Shortridge
Harrell	Kellogg	Phipps	Townsend

#### NAYS—33.

Borah	Frelinghuysen	Nelson	Stanley
Bursum	Glass	New	Underwood
Calder	Hale	Newberry	Wadsworth
Colt	Keyes	Overman	Walsh, Mass.
Cummins	King	Pepper	Warren
Curtis	Lodge	Pomerene	Willis
Dial	McCumber	Simmons	
Edge	McLean	Smoot	
Ernst	Moses	Spencer	

#### NOT VOTING—39.

Brandegge	France	Norbeck	Sterling
Cameron	Gerry	Norris	Sutherland
Caraway	Harrison	Owen	Swanson
Crow	Hitchcock	Page	Trammell
Culberson	La Follette	Pittman	Walsh, Mont.
Dillingham	Lenroot	Reed	Watson, Ga.
du Pont	McCormick	Robinson	Watson, Ind.
Elkins	McKellar	Shields	Weller
Fernald	McKinley	Smith	Williams
Fletcher	Myers	Stanfield	

So Mr. GOODING's amendment to the amendment of the committee was rejected.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. McCUMBER. I ask that we go now to paragraph 51, alizarin assistant.

The PRESIDENT pro tempore. The amendment of the committee to paragraph 51 will be stated.

The ASSISTANT SECRETARY. On page 22, line 25, the committee proposes to strike out "25" and insert "35," so as to read:

PAR. 51. Alizarin assistant, Turkey red oil, sulphonated castor or other sulphonated animal or vegetable oils, soaps made in whole or in part from castor oil, and all soluble greases; all of the foregoing in whatever form, and used in the processes of softening, dyeing, tanning, or finishing, not specially provided for, 35 per cent ad valorem.

Mr. SMOOT. Mr. President, I do not think this amendment will lead to any discussion, and I desire to make only a brief statement about it.

Eighty per cent of alizarin assistant consists of castor oil. We raised the rate on castor oil to 3 cents a pound. Eighty per cent of 3 cents is 2.4 cents, and 2.4 cents on the basis of the price of alizarin assistant is about 25 per cent. Then we allowed 10 per cent additional for the protection of the article,

which makes the 35 per cent instead of 25 per cent as the House fixed the rate. I will say that on account of the increase in the rate on castor oil, and because alizarin assistant contains 80 per cent of castor oil, it was necessary to make the change in the rate on alizarin assistant.

Mr. KING. Mr. President, I agree with my colleague that in view of the rating given to castor oil—and this question came up during the consideration of the chemical schedule—this differential is necessary, but when we get the bill into the Senate I shall ask for another vote upon the rate on castor oil. I think it is absurd and improper to put such a high rate of duty upon castor oil when it is so important as a medicine, and to put such a high rate of duty upon alizarin assistant which is so important in dyeing and tanning. But I agree that as we put the rate on castor oil the proper differential would be substantially as stated here.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. McCUMBER. I now ask to return to paragraph 758, on page 111, relative to pecans. On behalf of the committee I move to strike out the figure "1," in line 3, and to insert in lieu thereof the figure "3"; and also to strike out the figure "2" in line 3 and to insert in lieu thereof the figure "6"; so that the rate on pecans, unshelled, will be 3 cents a pound and on shelled pecans the rate will be 6 cents a pound.

The PRESIDENT pro tempore. The Secretary will state the first proposed amendment.

The ASSISTANT SECRETARY. On page 111, paragraph 758, at the beginning of line 3, it is proposed to strike out "1 cent" and in lieu thereof to insert "3 cents."

Mr. WALSH of Massachusetts. Mr. President, will the chairman of the Committee on Finance inform us why he has moved to increase the rate on pecans as originally reported by the committee? In view of the fact that there are no imports of pecans to speak of, I should like to know why the committee has moved to increase so largely the rate upon pecans?

Mr. McCUMBER. There are a million pounds or so imported, and they come from Mexico. They are of an inferior grade; there is a little revenue derived from the importations; and inasmuch as they are of an inferior grade I do not think the increased duty will affect the price of the American product at all.

Mr. WALSH of Massachusetts. The information which I have is that the production in this country is 31,000,000 pounds annually; that the imports have never been more than 1,000,000 pounds; and in the last year, 1921, they were but 551,000 pounds—at least, during the first nine months of that year.

Mr. McCUMBER. In the calendar year of 1921 there were imported 1,082,390 pounds.

Mr. WALSH of Massachusetts. For the year 1921?

Mr. McCUMBER. For the year 1921.

Mr. WALSH of Massachusetts. The information I had only covered the period of nine months. The importation amounts to but one-thirtieth of the production of this country. Pecans are a distinctively American crop; the Mexican pecan is much inferior in quality and does not compete with the domestic pecan. There is no need of a protective duty on pecans.

Mr. McCUMBER. The duty is only 27 per cent ad valorem.

Mr. WALSH of Massachusetts. I call attention to the fact that there is a very large production of pecans in this country and that the importations are very insignificant in quantity and inferior in quality.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment proposed on behalf of the Committee on Finance by the Senator from North Dakota [Mr. McCUMBER] will be stated.

The ASSISTANT SECRETARY. On page 111, line 3, after the word "shelled," it is proposed to strike out the numeral "2" and to insert in lieu thereof the numeral "6."

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. McCUMBER. I now ask to return to paragraph 762, on page 112, relative to "Other garden and field seeds."

The PRESIDENT pro tempore. The first amendment of the Committee on Finance in paragraph 762 will be stated.

The ASSISTANT SECRETARY. On page 112, line 3, paragraph 762, after the word "seeds," it is proposed to strike out the words "Sugar beet, 1 cent per pound; other beets," and to insert "Beet (except sugar beet)," so as to read:

PAR. 762. Other garden and field seeds: Beet (except sugar beet), 4 cents per pound.



The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

Mr. WALSH of Massachusetts. I do not care to discuss paragraph 762, but I should like to ask unanimous consent to have the vote whereby the amendments in paragraph 761 were agreed to reconsidered in order that I may present for the RECORD some protests which have been made against the increases in that paragraph.

Mr. McCUMBER. Very well, Mr. President.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the Committee on Finance, which has been stated by the Secretary.

The amendment was agreed to.

Mr. WALSH of Massachusetts. I now ask unanimous consent to reconsider the votes by which the amendments to paragraph 761 were agreed to.

The PRESIDENT pro tempore. The Senator from Massachusetts ask unanimous consent that the votes by which the amendments in paragraph 761 were agreed to may be reconsidered. Is there objection? The Chair hears none, and it is so ordered. The amendments of the committee will again be stated.

The ASSISTANT SECRETARY. The first amendment reported by the Committee on Finance in paragraph 761, is in line 18, page 111, before the word "cents," to strike out the numeral "2" and to insert in lieu thereof the numeral "4," so as to read:

PAB. 761. Grass seeds: Alfalfa, 4 cents per pound.

Mr. WALSH of Massachusetts. Mr. President, I shall not take up much time in discussing the amendments in paragraph 761. I merely wish to call attention to the large number of protests which have been made against the increased rates upon grass seeds.

I can not understand why the Committee on Finance should have penalized the farmers of this country by imposing such high rates of duty upon grass seeds. The proposed duties can be of benefit to but a very small group of farmers, and the great number of farmers who must go into the market to purchase grass seeds will, in my opinion, be heavily penalized.

I desire to call attention to some objections which may well be urged to all the proposed rates on grass seeds:

Grass seeds have always been on the free list of every tariff law ever enacted.

The real value of grass seeds is determined by the crops produced and not by tariff duties which may be levied.

The American farmer will absorb these duties by higher cost of seeds, estimated on prices of date of July 9, 1921, to be an average increase of 17.9 per cent, or 59 cents per sowing acre. That burden will have to be assumed by the farmer. A duty of 3 cents per pound means an increase of \$1.80 per bushel on clover seed. Since July 9, because of these threatened duties, prices on grass seeds have advanced 25 per cent.

Some of these grass seeds which are indispensable to the American farmer are not produced in the United States on a commercial scale. They must be imported, and, therefore, the duty is certain to be reflected in increased prices.

Statistics show that the grass seeds produced in this country on a commercial scale are not sufficient for domestic requirements; our farmers are obliged to buy imported seeds, and they ought not to be subject to the duties imposed by this paragraph.

It is further stated that these duties will benefit only 5 per cent of the farmers of the country; that 95 per cent of the farmers are obliged to go into the market and buy seeds, and therefore they will be obliged to pay higher prices for their seeds than they have had to pay heretofore.

I wish to call attention particularly to the fact that some of these seeds are not produced at all in this country. I am informed that orchard grass is entirely imported, and also that crimson clover and various other varieties of the seeds covered by this paragraph are not produced at all in the United States.

I submit for the RECORD some letters of protest which I have received against the duties imposed in paragraph 761, and also a memorandum summarizing the opposition of groups of farmers to the duties levied in the paragraph.

The PRESIDENT pro tempore. Without objection, the matter referred to will be printed in the RECORD.

The matter referred to is as follows:

BOSTON, Tuesday, April 25, 1922.

Hon. DAVID I. WALSH,  
United States Senate, Washington, D. C.

MY DEAR SENATOR: At our conference in the Senate Conference Room on April 6, I very briefly presented to you the reasons why an injustice was being done to the vast majority of the farmers in the Middle and Eastern States by placing rather heavy duties, under paragraph 761, on grass seeds, most of which are not grown in this country on a commercial scale. I further stated that this schedule had been written by five or six Senators from the States of Utah, Idaho, and perhaps Kansas, where alfalfa is produced; and these Senators very natu-

rally wish to favor their constituents by placing this duty on alfalfa seed in order to increase the price of grass seeds. The great majority of farmers in all the Eastern and Middle States, however, are not advised, apparently, of these duties, and being unorganized have not, except in a few cases, petitioned their Senators for free grass seeds. It seems a fair deal to these purchasers of seeds that the Senator should be fully acquainted with the situation, and I understood you to agree to make such an argument to the Senate in support of an amendment carrying grass seeds to the free list. I now understand that you have been chosen to make a report for the minority members of the Senate Finance Committee on the agricultural schedule, and I therefore took the liberty of wiring you to-day on this matter, as I now confirm by the enclosed carbon copy. I also hand you herewith a brief which was filed with the Senate Finance Committee in support of free grass seeds, an examination of which will possibly assist you in deciding whether or not the claim is reasonable.

I wish to add one point in fairness to the Seed Trade Association, which has attempted to voice the beliefs of the majority of buyers of seeds in the Eastern and Middle States. The seedsmen are entirely neutral in this matter and do not argue for or against free seeds, except as they feel that the interests of seed buyers demand. If it had been shown that the majority of seed buyers preferred to have duties on seeds, the seedsmen would be the last ones to suggest and argue contrary to that position. The seedsmen feel that there is no farmer who wishes to pay \$2.40 more per bushel on clover seed, the amount of the duty on such seed imposed by this tariff bill reported by the Senate.

If it is not too great a burden on your time, I would appreciate a reply to this letter and telegram advising me of your position and whether or not you are still interested in amending this paragraph 761.

Yours respectfully,

CURTIS NYE SMITH.

BOSTON, MASS., April 25, 1922.

Hon. DAVID I. WALSH,  
United States Senate, Washington, D. C.

On April 6, in my conference with you in Washington, you expressed approval of amending paragraph 761 by transferring grass seeds to free list as in all former tariff bills, because vast majority farmers buy but do not produce these seeds, and free importation materially lowers production costs, and only a few growers in Western States have secured duties through energies of their Senators. Questionnaire sent out by American Farm Bureau Federation asking opinion on this question to 60,000 members showed all States except Idaho and New York in favor free grass seeds. Consequently, as you are submitting minority report on agricultural schedule, I trust that in behalf of the vast majority of farmers you will recommend transferring grass seeds to free list. Will submit detailed argument either in person or by mail.

CURTIS NYE SMITH.

BOSTON, MASS., March 31, 1922.

Hon. DAVID I. WALSH,  
United States Senate, Washington, D. C.

DEAR SIR: It has come to our attention that the Fordney tariff bill provides for heavy duties on grass seeds, which have always heretofore been on the free list. This is a great surprise to us, and we think of it as a very serious matter, which we should call to your attention.

This duty on importations of grass seed, paragraph 761, increases the cost of the seed to the American farmer on an average of 17 per cent. This seems to us particularly unfortunate at this time. The major portion of these seeds are not in competition with any seeds commercially grown in the United States; therefore this duty gives no protection or adjustment of prices between foreign-grown and American-grown seeds but is a serious burden of direct taxes on the necessities of the farmer.

We would call to your attention that such a tariff as this will inevitably drive the farmer into purchasing lower grade of seeds, which contain larger percentages of objectionable weed seeds. This is very injurious to the crops and always to the value of farm lands.

The seedsmen's representative, Mr. Curtis Nye Smith, will be in Washington probably Wednesday and Thursday of next week, and we would appreciate it if you would do us the courtesy of giving him a brief interview on this subject.

Very respectfully yours,

JOSEPH BRECK & SONS,  
Per LUTHER A. BRECK, President.

BOSTON, MASS., May 5, 1922.

Hon. DAVID I. WALSH,  
United States Senate, Washington, D. C.

DEAR SIR:

On May 15 there is to be a hearing before the Federal Horticultural Board regarding further restrictions under quarantine 37. The seedsmen, nurserymen, and florists all feel that further restrictions can not be borne without very serious injury to business.

There is some thought, we understand, of prohibiting the importation of the Dutch bulbs, such as narcissus, tulips, hyacinths, and so on. These bulbs, as you are aware, are the ones which planted in the fall give us our first spring flowers. The narcissus, in particular, is one of the largest sellers that the florists have.

As these bulbs can not be commercially grown in this country, as has been proved by a large number of unsuccessful experiments, it seems to us that it would be folly to restrict their importation, both from the point of view of the various businesses enumerated above and that of the American public at large, who are coming more and more to enjoy and benefit from the first blooms of the year. Think of the thousands of people who visit our own public gardens every year to see the glorious spring bulbs in flower.

We sincerely urge your looking into the actions and policies of the Federal Horticultural Board.

Very respectfully yours,

JOSEPH BRECK & SONS,  
Per LUTHER A. BRECK, President.

#### MEMORANDUM OF OBJECTIONS.

During the last war seeds were held of such prime importance that the various Government departments classed them with munitions or food products in all priority classifications. Congress passed a special war act to determine and to increase the supply, especially as seed importations were practically suspended during the large part of the war.

It is therefore too obvious to require further details that grass seeds, though of perhaps relatively small value, have, by reason of what they produce, a very great effect on the welfare of the country.

#### GRASS SEEDS UNDER FORMER TARIFF LAWS.

Grass seeds under all the tariff laws of this country have always been carried on the free list.

Paragraph 595, Underwood law, act of October 3, 1913.

Paragraph 668, Payne-Aldrich law, act of August 5, 1909.

Paragraph 611, McKinley law, act of August 27, 1894.

Tariff law of October 1, 1890.

Section 2503, tariff act of March 3, 1883.

Section 8, tariff act of February 8, 1875.

#### PRINCIPAL REASONS WHY GRASS SEEDS SHOULD BEAR NO IMPORT DUTIES.

A. The American farmer, particularly in his present distressing condition, should not be burdened with the heavy increase in the purchase price of grass seeds which will be caused by the duties assessed in paragraph 761 of the Fordney tariff bill.

The inevitable result of these heavy duties on grass seeds will be to increase the prices of grass seeds, whether produced in this country or in foreign countries, because of the economic effect of the substantial elimination of competitive world markets. This is proved by two circumstances:

(1) Certain grass seeds composing a large part of the agricultural demands of this country are not produced in the United States to any commercial extent, to wit: Crimson clover, alsike clover, hairy vetch, spring vetch, rape, Canada blue grass, rye grass, and all the natural grasses.

The following Table A will show in figures the average yearly imports of the aforesaid grass seeds for the years 1910 to 1920, inclusive, the proposed duty to be assessed thereon by paragraph 761 of the Fordney bill, and the potential revenue received from such duties and paid exclusively by the American farmer. This table is prepared from the printed reports of the United States Department of Agriculture:

Department of Agriculture figures average yearly imports 1910-1920.

TABLE A.

	Pounds.	Proposed tax per pound.	Average yearly revenue.
		Cents.	
Alfalfa.....	4,897,026	2	\$97,940.52
Alsike.....	2,872,936	3	86,188.08
Crimson clover.....	5,595,504	1	55,955.04
Red clover.....	10,494,254	3	314,827.62
White clover.....	355,696	3	10,670.88
Other clovers.....	3,595,782	2	71,915.64
Millet.....	1,592,721	2	31,854.42
Timothy.....	111,619	2	2,232.38
Hairy vetch.....	857,259	2	17,145.18
Spring vetch.....	659,293	1	6,592.93
Other grasses.....	3,448,909	2	68,978.18
Total yearly revenue.....			740,410.95

That Congress may have an even more striking proof of the burden of these duties on grass seeds which are not produced on a commercial scale in this country Table B is given, showing that the American farmer must pay an average of 17.9 per cent more for these grass seeds, or at the average rate of 59.1 cents per sowing acre. These figures do not tell the entire story, unless one is aware of agricultural conditions. For example, hairy vetch would cost under this Fordney bill \$1.20 more per sowing acre, and as this seed is only sown on poor land, worth \$2 to \$10 per acre, the duty means no planting and no production.

TABLE B.

Kinds of seeds directly affected by imports.	Current July, 1921, whole-sale prices per pound.	Proposed import tax per pound.	Resulting whole-sale price with duty per pound.	Approximate per cent of increase in price.	Tax per sowing acre.
	Cents.	Cents.	Cents.	Per cent.	Cents.
Alsike clover.....	17½	3	20½	17.1	45
Crimson clover.....	7½	1	8½	13.3	15
Red clover.....	18	3	21	16.6	45
White clover.....	35	3	38	8.5	35
Hairy vetch.....	8½	2	10½	23.5	1.20
Spring vetch.....	5	1	6	20.0	60
Rape.....	7½	2	9½	26.6	20
Canada bluegrass.....	18	2	20	11.1	80
Orchard grass.....	20	2	22	10.0	1.00

Average increase in price of above grasses, 17.9 per cent.

Average increase in price per sowing acre, 59 per cent.

The PRESIDENT pro tempore. Inasmuch as the amendments to paragraph 761 were reconsidered en bloc, is there objection to agreeing to the amendments en bloc?

Mr. WALSH of Massachusetts. I have no objection. I know that the decision of the Senate will not be changed; I simply wanted to present the objections which were in my hands to the rates reported by the committee in the paragraph.

The PRESIDENT pro tempore. The Chair hears no objection. The question is upon agreeing to the amendments in paragraph 761.

The amendments were agreed to.

The PRESIDENT pro tempore. The Secretary will state the next amendment in paragraph 762.

The ASSISTANT SECRETARY. On page 112, line 5, paragraph 762, after the word "cabbage," the committee proposes to strike out "12" and insert "8."

The PRESIDENT pro tempore. The question is upon agreeing to the amendment.

The amendment was agreed to.

The next amendment was, in the same paragraph, on page 112, line 9, after the word "onion," to strike out "20" and in lieu thereof to insert "10."

The amendment was agreed to.

The next amendment was, on line 12, after the word "tree," to insert the words "and shrub."

The amendment was agreed to.

The next amendment of the Committee on Finance was, in the same paragraph, on page 112, line 13, after the word "pound," to strike out "flower, 4 cents per pound."

Mr. TOWNSEND. Mr. President, I think all those interested in that amendment are prepared to have a change made, and I have an amendment which I intend to offer. The committee has not considered the proposed amendment, but desire to consider it. Therefore I ask unanimous consent that the amendment in line 13 shall be passed over until the committee may have time to consider the amendment which I propose to offer.

The PRESIDENT pro tempore. Without objection, the amendment proposed by the committee, in line 13, paragraph 762, will be passed over.

The next amendment of the Committee on Finance was, in the same paragraph, on page 112, line 16, after the word "this," to strike out "title" and insert "schedule."

The amendment was agreed to.

The next amendment was, in paragraph 763, page 112, line 18, after the word "beans," to insert "not specially provided for."

The amendment was agreed to.

The next amendment was, in line 19, after the word "dried," to strike out "1½" and insert "2," so as to read:

PAR. 763. Beans, not specially provided for, green or unripe, one-half of 1 cent per pound; dried, 2 cents per pound.

Mr. WALSH of Massachusetts. Mr. President, I am not going to take the time of the Senate to reiterate the objections to this amendment. Whatever I might say would be similar to what I have said in regard to very many of the other amendments in this schedule.

Beans are produced in very large quantities in this country and are exported in considerable quantities. We have practically no importations. The fact that beans are sold on an export basis does not seem to justify any increase in the tariff duties which have been suggested by the committee in paragraph 763.

The average annual harvest of dried beans is 9,000,000 bushels. During the war this production was greatly increased. Our average imports are only about 2,000,000 bushels and our exports are equal to the amount of our imports.

The rate proposed is an increase over the rate in the Payne-Aldrich law amounting to 167 per cent, and an increase of 380 per cent over the rate named in the Underwood law. I believe, however, it is similar to the rate named in the emergency law. It does not seem to me that this industry is of such an infant character as to justify these excessive rates.

The PRESIDING OFFICER (Mr. ODDIE in the chair). The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The ASSISTANT SECRETARY. On line 20, at the end of the line, it is proposed to strike out "2" and insert "2½," so as to read:

In brine, prepared or preserved in any manner, 2½ cents per pound.

The amendment was agreed to.

Mr. McCUMBER. I ask now to go to paragraph 766.

The ASSISTANT SECRETARY. Paragraph 766 is on page 113.

Mr. McCUMBER. On line 4, I ask to strike out the committee amendment of "55," and to insert in lieu thereof "45."

The ASSISTANT SECRETARY. It is proposed to modify the committee amendment by striking out "55" and inserting "45," so as to make the paragraph read:

PAR. 766. Mushrooms, fresh, or dried or otherwise prepared or preserved, 45 per cent ad valorem; truffles, fresh, or dried or otherwise prepared or preserved, 25 per cent ad valorem.

Mr. WALSH of Massachusetts. Mr. President, the amendment now proposed by the committee is, of course, a reduction of the original amendment offered by the committee; but even the reduced rate is altogether too high. It is still a substantial increase over the House rate, and a very large increase over the rates named in previous laws.

The rate named originally by the committee, 55 per cent ad valorem, was an increase of between 600 and 700 per cent



over the Underwood law and the Payne-Aldrich law. Of course, the modified amendment reduces that increase somewhat. There is absolutely no competition through imports with the domestic fresh mushrooms. Whatever competition there is confined entirely to the prepared or dried mushrooms; and it does not seem to me that the record of importations has been of sufficient amount to warrant the imposition of such a very high duty as is suggested by the committee.

I have nothing further to offer on this subject.

The PRESIDING OFFICER. The question is on the agreeing to the amendment of the committee as modified.

The amendment as modified was agreed to.

The ASSISTANT SECRETARY. On page 113, lines 7 and 8, the committee proposes to strike out "75 cents per 100 pounds" and to insert in lieu thereof "1 cent per pound," so as to read:

PAR. 767. Peas, green or dried, 1 cent per pound—

And so forth.

Mr. WALSH of Massachusetts. Mr. President, I think some Senator upon the other side of the Chamber desired to discuss that paragraph. I did not ask to have it held up for consideration. Does the Senator from North Dakota recall who it was?

Mr. McCUMBER. I think the Senator from Washington [Mr. POINDEXTER] was the one who made the suggestion, and it was passed over at his request; but, as I understand, he does not desire to be heard on it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The ASSISTANT SECRETARY. On line 8, page 113, the committee proposes to strike out "1 cent" and to insert in lieu thereof "1½ cents," so as to read:

Peas, split, 1½ cents per pound.

The amendment was agreed to.

Mr. McCUMBER. I ask now to turn to paragraph 774, on page 114.

Mr. WALSH of Massachusetts. Mr. President, may I ask the Senator to reconsider the action taken upon paragraph 769, referring to potatoes? Through inadvertence I permitted the amendments in that paragraph to be agreed to some days ago. I consider that a very important paragraph, and I should like to discuss it.

Mr. McCUMBER. Very well; I will consent to reconsideration.

Mr. WALSH of Massachusetts. I move that the action taken by the Senate on the committee amendments in paragraph 769 be reconsidered.

The motion to reconsider was agreed to.

Mr. WALSH of Massachusetts. Mr. President, I consider the amendments in this paragraph among the most objectionable in the whole agricultural schedule. To appreciate how very excessive these duties are that are levied upon potatoes, we ought to consider what duties were levied in previous laws.

First of all, the Senate committee amendment increases the duty on potatoes from 42 cents per 100 pounds, as provided in the House bill, to 58 cents per 100 pounds.

Under the Underwood law potatoes and potato products were free except when imported from a country imposing a duty on such articles imported from the United States, in which case the duty was 10 per cent ad valorem. Under the Payne-Aldrich law potatoes were dutiable at 25 cents per bushel of 60 pounds. The duty in this amendment amounts to 35 cents per bushel. Under the emergency tariff potatoes were dutiable at 25 cents per bushel of 60 pounds. The proposed rate of 58 cents per 100 pounds represents an increase of 27½ per cent over the Payne-Aldrich law and over the emergency law.

That is a very excessive increase—27½ per cent over the Payne-Aldrich law, and even over the emergency law, in which law we thought we were levying the very highest possible rates that the consumers could stand upon agricultural products; and when we consider what an essential food potatoes are, particularly for the poor people of this country, we can appreciate the great burden that is to be levied upon them through these excessively high duties upon potatoes.

The harvest of potatoes has fluctuated very greatly. From 1916 to 1920 the harvest ranged from 287,000,000 bushels to 430,000,000 bushels. Owing to quarantine restrictions imports of potatoes come only from Canada and the Bermudas. We receive only from 150,000 to 200,000 bushels per year from Bermuda and we import from Canada only from 200,000 to 6,000,000 bushels per year. The importations are trivial, a very small fraction of 1 per cent, being at the highest 6,000,000 bushels, as compared with a domestic production of 430,000,000 bushels of potatoes. Our exports are about 3,500,000 bushels, so that on the average we have exported more potatoes than we have imported.

The imports come almost entirely from Canada, and they come into New England and are consumed in the New England market. This duty will prove a very serious burden to the consumers of New England. The only purpose of imposing this duty, so far as I have been able to learn, is that it is supposed to benefit the producers of potatoes in one county in northern Maine—Aroostook County. Potatoes of a very excellent quality are produced there in great abundance; but the production in that county in Maine is not sufficient to take care of the consumption in New England. Potatoes must come from Canada, and the only effect of this very high duty will be to increase the price to the consumers and increase the price particularly of the domestic potato produced in Aroostook County, Me.

I can not help but feel that this duty, which is so high, has been put in this bill at the request of the Senator from Maine [Mr. HALE], whose term is expiring, and who will use this as a campaign argument in favor of his return; and it goes to confirm the allegation made against this bill by the junior Senator from Wisconsin [Mr. LENROOT] some days ago, that this bill is full of rates that are fixed and put into the bill at the request of Senators who are desirous of making an appeal in their home districts to show that they have been influential in obtaining high protective duties on the products they produce.

Mr. HALE. Mr. President, I was out of the Chamber when the Senator made his statement. I should like to have him repeat it.

Mr. WALSH of Massachusetts. I said that the production of potatoes in the county in Maine where very excellent potatoes are produced is not sufficient to take care of the consumption in New England; that I could not conceive of any reason for this increased duty being levied upon potatoes—an increase over the high rates of the emergency law—except at the request and solicitation of the Senator from Maine in his desire and purpose to get protection for the farmers of Aroostook County by shutting out the Canadian supply, and that I thought it would prove a very helpful political argument in favor of the Senator's return by reason of his being able to show that he had obtained from the United States Senate such high protective rates on potatoes.

Mr. HALE. I trust that it was a helpful argument. I think the people of Aroostook County appreciate what their Senators do for them down here.

Mr. WALSH of Massachusetts. I am not criticizing the Senator, but rather commending his political sagacity. I am criticizing those Senators who accept the arguments of the interested producers in Aroostook County, and are concerned only about their point of view, rather than the point of view of the great consuming public.

Mr. HALE. The Senator admits, however, that from the point of view of the producer the increase in the tariff is a good thing, does he not?

Mr. WALSH of Massachusetts. I consider this duty one of the most outrageous in this whole bill. I consider that it is going to increase the price of potatoes at certain intervals in New England very materially. I consider that it will be the most destructive item in this whole bill against the Republican Party in New England. If I were to choose one of the features of this bill that, in my opinion, would be most harmful to Republican chances in New England, outside of one county in Maine, it would be this item. You can not justify a duty of 58 cents a hundred pounds upon potatoes. It can not be proven that the difference in cost between the production of potatoes in Canada and in Maine, just over the border line, amounts to 58 cents per 100 pounds.

Mr. HALE. Does the Senator think there is an increase of 58 cents per 100 pounds over the emergency tariff?

Mr. WALSH of Massachusetts. I stated when the Senator was absent from the Chamber that this increase in the rate was 27½ per cent over the Payne-Aldrich law and over the emergency law; that the proposed duty of 58 cents per 100 pounds was the highest duty ever levied upon potatoes, one of the foods most necessary and commonly used by the great masses of our people, a duty that I think is indefensible in view of the record of production, and in view of the fact that we produce over 400,000,000 bushels, and in view of the fact that since the production in New England is not sufficient, we must go to Canada, and if we go to Canada this duty will be reflected in increased prices for our potatoes.

Mr. HALE. I think the Senator is mistaken. The rate is 10 cents a bushel higher than the rate in the emergency tariff law.

Mr. WALSH of Massachusetts. Let us see how this is going to work out. Let me repeat, in my judgment, speaking broadly, of the items of this bill which are going to injure the majority

party just such items as this will be picked out, analyzed, and studied, and shown to be a very great burden to the consumer. Let me present some figures.

First of all I want to call attention to the annual consumption. The annual potato crop is about 400,000,000 bushels. The maximum has been 600,000,000. The imports of potatoes vary from 200,000 to 6,000,000 bushels.

Our annual exports are about 3,500,000 bushels.

It will be noted, therefore, that the maximum imports constituted only a small fraction of 1 per cent of our production and are offset in large part by our exports. Our total annual consumption can be estimated at about 402,792,000 bushels.

The proposed tax of 58 cents per 100 pounds is equivalent to approximately 35 cents per bushel; and if, as is claimed by the majority Members who are urging this duty, the tariff results in an increase of 35 cents to the price of potatoes, it will mean a total tax on the people of the United States of \$140,977,200 for their potato consumption.

Mr. President, I repeat if the proposed tax becomes effective it will increase the price of potatoes in this country to the staggering figures of \$140,000,000. There is nothing like it in this bill.

It can not be justified. It is almost criminal to ask the poor people of this country, many of whom depend upon potatoes very largely for their principal food, to pay 58 cents per 100 pounds, or about 35 cents per bushel, as a subsidy to the potato growers.

The price and production of potatoes fluctuate from year to year. When the crop is short and the supply consequently scarce the price rises, and when there is an abundant crop the price falls below the cost of production.

Under such conditions it would be in the interest of the producer and consumer alike to permit a free movement of this staple food product between the United States and Canada. When there is a large domestic crop there will be an outlet for the same by exports, which will stabilize prices; and when there is a short crop the public will be protected against exorbitant prices and obtain the necessary supply through imports from Canada.

It must be borne in mind that the Northeastern States, so far as the demand for food supplies is concerned, is dependent upon sections beyond the Canadian border line and the Allegheny Mountains. If New England is cut off from the Canadian supply by high tariff taxes, the people of that section of the country will be forced to pay the cost of long hauls in freight rates on shipments from distant sections of the country, and this will mean an increase in the cost of living that will prevent the steady progress and advancement of these States. Moreover, the increased cost of living will eventually react on the price of products of this section of the country, and the effect of the tariff would be a raise in the general level of prices without benefit to the farmer or the consumer.

I want to repeat. I consider this rate exorbitant; I consider it indefensible. While I believe it will undoubtedly be favorable to the political fortunes of my friend the Senator from Maine [Mr. HALE], I think it is indefensible. I do not make any criticism of his effort to get protection for the potato producers of Maine; the Representatives of every other State have done the same thing. He is not chargeable with any blame; but it is the duty of the rest of us to consider the consumers' interest, to consider that this duty is levied for the purpose of shutting out the few potatoes which come over the border line from Canada and find their way into the New England market and help to take care of the wants of our people when there is a short crop.

How is any Senator on this floor going to answer a campaign argument to the effect that the result of the levying of this duty means \$140,000,000 to the consumers? You can say, of course, that it will not be operative; that it will not be reflected; but the purpose of putting it in this bill is to make it operative.

The purpose of putting it into this bill is to increase prices or to deceive and mislead the farmers. Those who have put this duty in the bill will say that it means more prosperity and more profit to the producer, and if it means more prosperity and more profit to the producer it means that the consumer must pay that profit. I am surprised at the judgment of the committee in levying this very high duty upon this product.

There are a good many of these items I have not discussed at any great length. The chairman and the other members of the committee know that I have tried to center the debate upon the items of importance in this schedule, and I do want to make a vigorous protest for the RECORD against this high rate upon potatoes.

Mr. HALE. Mr. President, the Senator's protest seems to be in line with his general action in regard to the agricultural

schedules. Apparently he has been assigned, or has assigned himself, to oppose the increase in the agricultural schedules, and I am entirely ready to admit that he has done it very ably.

As far as this increase in the duty on potatoes is concerned, whether it may or may not have helped me in my fight for a renomination, I favored it because I thought the interests of my State and of the farmers and potato growers of Aroostook County demanded this increase.

Potatoes are a variable sort of a crop. During the war the price of potatoes went up to \$4 or \$5 a bushel. At certain times the price goes down to 15, 20, or 25 cents a bushel. No one can tell, when he plants his potatoes, what he is going to get on his product. So unless we know that we are going to be protected from Canada our farmers are very apt to cut down their planting. After two or three poor years they get discouraged. But with this duty on potatoes, I predict that they will plant far in excess of what they have done before, and the result will be that we shall grow more potatoes in this country, and the price will go down on account of the increased production. So I do not think the Senator's fears that the consumer will have to pay so much higher a price for his potatoes on account of this duty are well grounded.

The PRESIDING OFFICER. The items in this paragraph having been reconsidered in gross, the question is whether they will be considered in gross. Is there objection? There being no objection, they will be so considered. The question is on agreeing to the committee amendments.

The amendments were agreed to.

Mr. McCUMBER. I ask that we now go to paragraph 774.

The PRESIDING OFFICER. The Secretary will state the amendment of the committee to that paragraph.

The ASSISTANT SECRETARY. On page 114, line 11, the committee proposes to strike out paragraph 774, as follows:

PAR. 774. Broom corn, \$2 per ton.

Mr. WALSH of Massachusetts. I think the Senator from Arizona [Mr. ASHURST] wanted to discuss paragraph 770. I call the attention of the Senator from North Dakota to that fact.

Mr. ASHURST. The amendment I want to have adopted is to the text, and I believe would not be in order at this time. It will be in line 16, and I doubt if it will be in order now.

Mr. WALSH of Massachusetts. I knew the Senator was interested in that paragraph, and I wanted to protect his rights. I did not ask to have paragraph 774 passed over. I think some Senator on the other side of the Chamber wanted to discuss that paragraph. Does the Senator from North Dakota recall who it was?

Mr. McCUMBER. I think the Senator referred to appeared before the committee again; the committee gave him a hearing and decided to stand by what it had reported; that is, that broom corn should be placed upon the free list.

The PRESIDING OFFICER. The question is on the amendment of the committee.

The amendment was agreed to.

Mr. McCUMBER. I ask that paragraph 776 be passed over, at the request of one Senator, and the next will be paragraph 778.

The next amendment of the committee was, in paragraph 778, page 114, line 24, to strike out "\$4" and insert in lieu thereof "\$3," so as to read:

Hay, \$3 per ton.

Mr. McCUMBER. I ask that the Senate disagree to the amendment in line 24, where we proposed to strike out "\$4" and insert in lieu thereof "\$3," leaving the duty on hay \$4 per ton.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. WALSH of Massachusetts. Mr. President, all I care to say about this item is contained in a letter which was addressed to Hon. Charles M. Cox, a member of the Boston Chamber of Commerce, by a group of hay dealers. The letter reads in part, as follows:

At a meeting of the principal hay dealers of this city, held on the 5th instant (last December), it was unanimously voted that we request you to serve as our representative in appearing before the Finance Committee of the United States Senate, at the hearings soon to be held in regard to the proposed tariff act.

Requesting a member of a committee of the chamber of commerce to appear in protest against the duties upon hay. I continue reading:

We note that in paragraph No. 778, it is proposed that the duty on hay shall be \$4 per ton and \$1 per ton on straw. This is exactly double the duty which we have been paying. We ask you to inform the Senate committee that in certain years when the crop of hay in New England and New York State happens to be light, it be-



comes important for us to be able to secure hay from Canada, and we respectfully request that the duty on hay be continued as it has been in the past, namely, \$2 per ton and 50 cents on straw.

New England is peculiarly situated in that the price of hay and grain is higher here than in any other section of the eastern half of our country. We are at the end of the line.

That rather surprised me, that the price of hay and grain is higher in New England than in any other part of the country. I continue reading:

Our farmers can not possibly raise all the hay which they need, and it is clearly to the economic advantage of New England that she be able to secure her supplies of all kinds of agricultural needs at as low cost as possible. The imposition of a higher duty on hay will constitute a real hardship.

The letter is signed by a number of distinguished citizens.

Mr. President, I think to increase the duty upon hay 100 per cent over the present rate is not justified and can not be supported by the facts. Increasing the duty upon straw 200 per cent is likewise indefensible. These duties benefit only a few farmers.

Mr. WILLIS. Mr. President—

Mr. WALSH of Massachusetts. Many of the farmers of the country and of New England will feel the effects of these high rates and will have to pay \$2 a ton more for their hay and \$1 a ton more for their straw by reason of the duties levied in the bill. I yield to the Senator from Ohio.

Mr. WILLIS. Mr. President, I notice the Senator said that the duties would affect only a few farmers. He certainly does not mean to make that statement. They will affect a very large number of farmers. Certainly more than two-thirds of them in my State, and farmers all over the country are very greatly interested in this matter, hay being one of their money crops. I was just wondering whether the Senator ever worked in a hay field on a day like this. If he did, I am certain he would not begrudge the slightly increased income that the amendment will bring to the farmers.

Mr. WALSH of Massachusetts. I am rather proud to say to the Senator that I have worked in the hay field on days like this.

Mr. WILLIS. I congratulate the Senator.

Mr. WALSH of Massachusetts. As a boy I worked in the New England hay fields, where the soil is rocky and difficult to work, and where the farmers have to toil and labor hard, and do not enjoy comfortable farming conditions. I am now pleading for them, because when I referred to the effect of this duty upon the farmers I should have referred particularly to New England, where hay is imported and straw is imported. Almost all of the straw used there is imported and very little produced.

These duties will be a burden and a hardship upon the farmers of New England. I protest in their name against the rates. I repeat that the number of farmers in the eastern section of the country who produce hay on a commercial basis is insignificantly small. I do not know about the extreme West, but the number that produce hay and straw in the eastern part of the country is very small, compared with the total number of farmers. These high duties mean an additional burden to those farmers.

When this schedule is analyzed and the few duties which appear to protect the farmers of the country are compared with the duties which extract large sums of money in increased prices from them, the farmers will be as vigorously protesting against the bill as the business interests and some of the manufacturing interests of the country are now protesting against it.

Mr. LODGE. Mr. President, I merely desire to put in the RECORD a few figures about the hay crop in New England. It is one of the few profitable crops we have and it is a very important crop in New England.

The area in Maine employed in the growing of hay is 1,668,000 acres and the production is 1,191,000 short tons, a pretty good production of hay. In Massachusetts, of course, a small State, the area is 436,000 acres and 610,000 short tons were produced; in New Hampshire 450,000 acres produced 540,000 short tons; in Vermont 910,000 acres produced 1,320,000 short tons.

Mr. WALSH of Massachusetts. Will my colleague permit an interruption?

Mr. LODGE. I would like to complete the figures. In Connecticut 355,000 acres produced 460,000 short tons; in Rhode Island 46,000 acres produced 51,000 short tons. I have not added up the figures, but that would indicate a pretty large hay crop, and it is pretty valuable to the farmers of New England, especially to the three northern States of Maine, New Hampshire, and Vermont. Horses are not used as much as they were at one time in New England, and I rather think we can come pretty near to making our supply, although I have not figured it out. The supposition that there are no farmers interested in hay in New England, I think, is a mistake.

Mr. WALSH of Massachusetts. Mr. President, my colleague did not see fit to permit me to interrupt him and I shall now make the inquiry I was going to make. I inquire whether the figures given by him were of hay produced for commercial purposes or whether they gave the total production of hay?

Mr. LODGE. The figures I gave were the total hay production. Of course it is almost all used locally in the States except in Vermont and Maine. I take it there is hay exported from both, as they produced between them 2,500,000 tons.

Mr. McCUMBER. Mr. President, I desire to say that this is the same rate as that provided in the Payne-Aldrich law, and is equivalent, under the 1921 imports, to about 20 per cent ad valorem.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment reducing the rate on hay from \$4 to \$3 per ton.

The amendment was rejected.

The next amendment was, on page 114, line 24, to strike out "\$1" and insert "\$1.50," so as to read:

Straw, \$1.50 per ton.

The amendment was agreed to.

The next amendment was, on page 115, line 1, to strike out "\$1.50" and insert "\$2.40," so as to read:

PAR. 779. Hops, 24 cents per pound; hop extract, \$2.40 per pound.

The amendment was agreed to.

The next amendment was, on page 115, line 2, to strike out "75 cents" and insert "\$3," so as to read:

Lupulin, \$3 per pound.

Mr. McCUMBER. I ask that the Senate disagree to this amendment.

The amendment was rejected.

The next amendment was, on page 115, after line 2, to insert a new paragraph, paragraph 779a, sago flour and tapioca flour.

Mr. McCUMBER. At the request of several Senators I ask that paragraph 779a may go over until to-morrow.

The PRESIDING OFFICER. Without objection, the paragraph will be passed over.

The next amendment was, on page 115, in lines 14 and 15, to strike out "curry and curry powder, 2 cents per pound," and the semicolon.

Mr. McCUMBER. That is transferred to the free list.

The amendment was agreed to.

The next amendments were, on page 115, line 21, to strike out the word "ground" and the comma and insert "ground or," and in line 21 to strike out "5" and insert "8," so as to read:

Mustard, ground or prepared, in bottles or otherwise, 8 cents per pound.

The amendments were agreed to.

The next amendment was, on page 116, in line 5, to strike out "turmeric, 10 cents per pound," and the semicolon.

Mr. McCUMBER. That is also placed on the free list.

The amendment was agreed to.

The next amendment was, on page 116, in line 8, to strike out "20" and insert "25," so as to read:

Mixed spices, and spices and spice seeds, not specially provided for, including all herbs or herb leaves in glass or other small packages, for culinary use, 25 per cent ad valorem.

The amendment was agreed to.

Mr. McCUMBER. This completes the agricultural schedule and takes us up to the next schedule with the exception of two paragraphs passed over, paragraph 776 and paragraph 779a.

Mr. President, I ask unanimous consent at this time that when the Senate closes its session on this calendar day it recess until to-morrow at 11 o'clock a. m.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. WALSH of Massachusetts. Does the Senator intend to take up paragraphs 776 and 779a to-morrow?

Mr. McCUMBER. Yes; to-morrow morning.

Mr. WALSH of Massachusetts. Those are the only two paragraphs remaining for consideration in the agricultural schedule?

Mr. McCUMBER. They are.

Mr. WALSH of Massachusetts. Very well.

#### EXECUTIVE SESSION.

Mr. McCUMBER. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 6 o'clock and 15 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Wednesday, July 12, 1922, at 11 o'clock a. m.

## NOMINATIONS.

*Executive nominations received by the Senate July 11 (legislative day of April 20), 1922.*

## UNITED STATES JUDGE.

James H. Wilkerson, of Illinois, to be United States district judge, northern district of Illinois, vice Kenesaw M. Landis, resigned.

## APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY.

## ORDNANCE DEPARTMENT.

Capt. Clarence Francis Hofstetter, Coast Artillery Corps, with rank from July 1, 1920.

## SIGNAL CORPS.

Capt. Joshua Ashley Stansell, Cavalry, with rank from September 21, 1920.

## CONFIRMATIONS.

*Executive nominations confirmed by the Senate July 11 (legislative day of April 20), 1922.*

## UNITED STATES PUBLIC HEALTH SERVICE.

Ralph E. Porter to be passed assistant surgeon.  
Joseph W. Mountain to be passed assistant surgeon.

## POSTMASTERS.

## CALIFORNIA.

Earl B. Birmingham, Hilts.

## MAINE.

Roger S. McGown, Carmel.  
Byron E. Lindsay, Kingman.  
Carroll M. Richardson, Westbrook.

## MASSACHUSETTS.

Edward L. Diamond, Easthampton.  
Edgar T. Brickett, North Cohasset.

## MONTANA.

Orson B. Prickett, Billings.

## NEW YORK.

Robert A. Lundy, Ray Brook.

## PENNSYLVANIA.

Harry A. Borland, Indiana.  
Samuel E. Crawford, Petrolia.

## TEXAS.

Robert A. Jackson, Chillicothe.

## SENATE.

WEDNESDAY, July 12, 1922.

(Legislative day of Thursday, April 20, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

## NATIONAL MONUMENT IN RIVERSIDE COUNTY, CALIF.

Mr. JOHNSON. Mr. President, I ask unanimous consent for the present consideration of the bill (H. R. 7598) authorizing the Secretary of the Interior to dedicate and set apart as a national monument certain lands in Riverside County, Calif. The monument is desired in order to preserve what are probably the only remaining large groves of natural wild Washington palms in the United States. Three adjoining canyons, Palm, Murray, and Andreas, each containing an extensive grove of these desert palms, are embraced within the area of the proposed monument. Many other specimens of desert flora of major scientific interest are also to be found there.

The bill has the approval of the Department of the Interior, including the Bureau of Indian Affairs. It safeguards the Indians and it costs the Government nothing at all.

Mr. SMOOT. I suggest that perhaps this may be a good time to pass several bills, as there is not a Democratic Senator in the Chamber.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill named by the Senator from California?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.,* That the Secretary of the Interior be, and he is hereby, authorized to set apart upon the following-described lands located in the county of Riverside, in the State of California, as a national monument, which shall be under the exclusive control of the Secretary of the Interior, who shall administer and protect the same

under the provisions of the act of Congress approved June 8, 1906, entitled "An act for the preservation of American antiquities," and under such regulations as he may prescribe: The west half of the southwest quarter of section 2, the southeast quarter of section 3, all of section 10, the west half of the northwest quarter of section 11, all of section 14, all in township 5 south, range 4 east, San Bernardino base and meridian, containing 1,600 acres: *Provided*, That before such reservation and dedication as herein authorized shall become effective the consent and relinquishment of the Agua Caliente Band of Indians shall first be obtained, covering its right, title, and interest in and to the lands herein described, and payment therefor to the members of said band on a per capita basis, at a price to be agreed upon, when there shall be donated for such purposes to the Secretary of the Interior a fund in an amount to be fixed and determined by him as sufficient to compensate the Indians therefor.

SEC. 2. That in order to determine the amount to be paid under the preceding section the Secretary of the Interior is authorized and directed to negotiate with said Indians to obtain their consent and relinquishment, and when such consent and relinquishment has been obtained and an agreement reached the Secretary of the Interior is further authorized to make payment from said donated fund for the lands relinquished to the enrolled members of the said Agua Caliente Band as authorized by section 1 of this act: *Provided*, That the consent and relinquishment of the Indians may be obtained and payment made for the lands in such manner as the Secretary of the Interior may deem advisable: *Provided further*, That the water rights, dam, pipe lines, canals and irrigation structures located in sections 2 and 3 of township 5 south, range 4 east, San Bernardino meridian, and also all water and water rights in Palm Canyon, are hereby excepted from this reserve and shall remain under the exclusive control and supervision of the Bureau of Indian Affairs.

SEC. 3. That the provisions of the act of Congress approved June 10, 1920, known as the Federal water power act, shall not apply to this monument.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

## PETITIONS.

Mr. WARREN presented resolutions adopted by the directors of the National Farm Loan Associations of Cokeville and Cody, both in the State of Wyoming, favoring amendment of the Federal farm loan act increasing the loan limit from \$10,000 to \$25,000, so that actual farmers operating a standard farm unit may enjoy the benefits of the farm-loan system and that they may borrow money through the said system at the lowest possible net cost, not higher than 5 per cent, etc., which were referred to the Committee on Banking and Currency.

Mr. LADD presented resolutions adopted at a session of the North Dakota Federation of Nonpartisan Clubs, at Bismarck, N. Dak., favoring the passage of Senate bill 2604, the so-called Ladd honest money bill, which were referred to the Committee on Banking and Currency.

Mr. SPENCER presented resolutions adopted at a mass meeting of citizens at Herculaneum, Mo., favoring the granting of relief and protection to the suffering peoples of Armenia, which were referred to the Committee on Foreign Relations.

Mr. CAPPER presented resolutions adopted by the Chamber of Commerce of Abilene, Kans., favoring full enforcement of the decree of the United States Supreme Court ordering the divorcement of the Central Pacific Railway from the Southern Pacific Co., etc., which were referred to the Committee on Interstate Commerce.

Mr. ROBINSON presented a telegram in the nature of a petition from the Nashville (Ark.) Chamber of Commerce, praying for Government protection of mails and trains in interstate commerce during the present railroad strike, which was referred to the Committee on Interstate Commerce.

## PHILADELPHIA SESQUICENTENNIAL EXHIBITION.

Mr. LODGE, from the Committee on Foreign Relations, to which was referred the joint resolution (H. J. Res. 170) to approve the holding of a national and international exhibition in the city of Philadelphia in 1926 upon the Fairmount Park and parkway site selected by the Sesquicentennial Exhibition Association, and lands contiguous thereto that may be acquired for that purpose, as an appropriate celebration of the one hundred and fiftieth anniversary of the signing of the Declaration of Independence, reported it without amendment.

## FRAUDULENT USE OF THE MAILS.

Mr. TOWNSEND. I ask unanimous consent that the Committee on Post Offices and Post Roads be discharged from the further consideration of the bill (S. 1973) to amend section 213, act of March 4, 1909 (Criminal Code), affixing penalties for use of mails in connection with fraudulent devices and lottery paraphernalia; the bill (S. 1974) to amend section 215, act of March 4, 1909 (Criminal Code), penalizing fraudulent use of the mails; and the bill (S. 1975) to amend section 3929, Revised Statutes, relating to exclusion of fraudulent devices and lottery paraphernalia from the mails, and that these bills be referred to the Committee on the Judiciary. They properly belong to that committee.

The PRESIDENT pro tempore. Without objection, that change of reference will be made.